

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretation commencing on page 5 of this document apply to this entire document, including the cover page, except where the context indicates a contrary intention.

Action required by certificated and dematerialised shareholders:

This document is important and should be read with particular attention to the section of this circular entitled: "Action required by shareholders", which commences on page 3.

If you are in any doubt as to what action you should take, please consult your broker, banker, legal advisor, CSDP or other professional advisor immediately.

If you have disposed of all your Jasco shares, this circular should be handed to the purchaser of such shares or to the broker, CSDP, banker or other agent through whom the disposal was effected.

Jasco does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or broker including, without limitation, any failure on the part of the CSDP or broker of any beneficial owner of Jasco shares to notify such beneficial owner of the transactions set out in this circular.



JASCO ELECTRONIC HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003293/06)

Share code: JSC ISIN: ZAE000003794

("Jasco" or "the Company")

CIRCULAR TO JASCO SHAREHOLDERS

regarding:

- the disposal by Jasco of the Property to Genesis for a purchase consideration of R60 million together with a tenant installation allowance of R5 million;
- the conversion of the authorised and issued share capital of the Company from ordinary shares of par value to ordinary shares of no par value;
- the increase in the authorised share capital of the Company from 150 000 000 ordinary shares to 750 000 000 ordinary shares of no par value;
- the adoption of a new Memorandum of Incorporation.

and incorporating:

- a notice convening a general shareholders' meeting;
-

Corporate advisor and sponsor to Jasco



Auditors and reporting accountants to Jasco



Legal advisors to Jasco



Independent valuator of the Property

Pro Val

Date of issue: 17 September 2012

This circular is only available in English. Copies of this circular may be obtained from the registered office of Jasco and from the offices of the sponsor and the transfer secretaries, whose addresses are set out in the section of this circular entitled "Corporate Information and Advisors" from Monday, 17 September 2012 up to Friday, 19 October 2012, both days inclusive. This circular will also be available in electronic form from Monday, 17 September 2012 up to Friday, 19 October 2012 (both days inclusive) as well as from the Company's website (www.jasco.co.za) from Monday, 17 September 2012.

CORPORATE INFORMATION AND ADVISORS

Company secretary and registered office of Jasco

Ms Shireen Lutchan
Corner Alexandra Avenue and 2nd Road
Midrand
1685
(PO Box 860, Wendywood, 2144)

Date and place of incorporation

20 July 1987 – South Africa

Reporting accountants and auditors

Ernst & Young Inc.
(Registration number 2005/002308/21)
Wanderers Office Park, 52 Corlett Drive
Illovo, 2196
(Private Bag X14, Northlands, 2116)

Independent valuator of the Property

Proval – Professional Valuation Services
Graham Richard Miller
Professional Associate Valuer
Registration number 3430
Without Restrictions
Address, 63 Stellenberg Estate, Magaliessig, Fourways

Corporate advisor and Sponsor

Grindrod Bank Limited
(Registration number 1994/007994/06)
Building Three, 1st floor
Commerce Square
39 Rivonia Road, Corner Helling Road
Sandton, 2196
(PO Box 78011, Sandton, 2146)

Legal advisors

Rossouws, Lesie Inc.
(Registration number 1998/010029/21)
8 Sherborne Road, Parktown
(PO Box 1588, Johannesburg, 2000)

Transfer secretaries

Link Market Services South Africa Proprietary Limited
(Registration number 2000/007239/07)
13th Floor, Rennie House
19 Ameshoff Street, Braamfontein
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

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ACTION REQUIRED BY SHAREHOLDERS

The “Definitions and Interpretation” commencing on page 5 of this Circular apply *mutatis mutandis* to the following section on “Action required by shareholders”.

Please take careful note of the following provisions regarding the action required by shareholders:

1. If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, attorney, accountant or other professional adviser immediately.
2. If you have disposed of all of your ordinary shares, please forward this document to the person who purchased such ordinary shares or the broker, CSDP, banker or other agent through whom you disposed of such ordinary shares.
3. Shareholders are invited to attend the general meeting to be held at the registered office of Jasco namely, corner Alexandra Avenue and 2nd Road, Midrand, 1685, South Africa on Monday, 22 October 2012 at 10:00.

HOLDERS OF CERTIFICATED SHARES AND HOLDERS OF DEMATERIALISED SHARES WITH OWN-NAME REGISTRATION

1. You are entitled to attend or be represented by proxy at the general meeting.
2. If you are unable or do not wish to attend the general meeting, and wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) in accordance with the instructions there in so as to be received by the transfer secretaries, Link Market Services South Africa (Proprietary) Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) at any time before the commencement of the general meeting (or any adjournment of the general meeting) or handed to the chairman of the general meeting before your appointed proxy exercises any of your rights at the general meeting (or any adjournment of the general meeting), provided that should the transfer secretaries receive your form of proxy less than 48 hours before the general meeting, you will need to procure that a copy of your form of proxy is handed to the chairman of the general meeting before your proxy exercises any of your rights at the general meeting (or any adjournment of the general meeting).

HOLDERS OF DEMATERIALISED SHARES OTHER THAN WITH OWN-NAME REGISTRATION

1. You must **not** complete the attached form of proxy.
2. If you wish to attend or be represented by someone other than your CSDP or broker at the general meeting, you must advise your CSDP or broker timeously in order for them to issue you with the necessary letter of representation to enable you to attend or be represented at the general meeting. Should you not wish to attend the general meeting in person or be represented at the general meeting by someone other than your CSDP or broker, you must timeously provide your CSDP or broker with your voting instruction in order for the CSDP or broker to vote in accordance with your instruction at the general meeting.
3. If your CSDP or broker does not contact you, you are advised to contact your CSDP or broker immediately. Instructions to your CSDP or broker must be provided in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or broker. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you.

IMPORTANT DATES AND TIMES RELATING TO THE PROPERTY DISPOSAL AND CORPORATE ACTIONS

2012

Terms announcement released on SENS	Monday, 13 August
Terms announcement published in the press	Wednesday, 15 August
Notice of shareholders' meeting released on SENS on	Monday, 17 September
Circular posted to shareholders on	Monday, 17 September
Last day to trade in Jasco shares in order to be recorded in the register to vote at the shareholders' meeting (see note b below) on	Friday, 5 October
Voting record date to vote at the shareholders' meeting by close of trading on	Friday, 12 October
Last day to lodge forms of proxy in respect of the shareholders' meeting by 10:00 on	Thursday, 18 October
Shareholders' meeting to be held at 10:00 on	Monday, 22 October
Publication of results of the shareholders' meeting on SENS on	Monday, 22 October
The following dates are subject to the registration by CIPC of the special resolutions approving the adoption of the new MOI; the increase in the authorised share capital and the conversion to no par value share capital	
Finalisation announcement released on SENS	Monday, 12 November
Finalisation announcement released in the press	Tuesday, 13 November

Notes:

- All dates and times may be changed subject to the obtaining of certain regulatory approvals. Any change will be published on SENS.
- Shareholders should note that as transactions in Jasco shares are settled in the electronic settlement system used by Strate, settlement of trades takes place five business days after such trade. Therefore shareholders who acquire Jasco shares after Friday, 5 October 2012 will not be eligible to vote at the shareholders' meeting.
- All times given in this document are local times in South Africa.

DEFINITIONS AND INTERPRETATION

In this document including its attachments, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following expressions bear the meanings assigned to them below:

“AfroCentric”	AfroCentric Investment Corporation Limited (Registration number 1988/000570/06), a public company incorporated in South Africa and listed on the JSE;
“Announcement”	Jasco’s announcement released on SENS on Monday, 13 August 2012, and published in the press on Wednesday, 16 August 2012, advising shareholders of the Property Disposal;
“broker”	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Securities Services Act;
“board”	the board of directors of Jasco, as reflected on page 20 of this Circular;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“certificated shares”	Jasco shares, represented by a share certificate or other document(s) of title, which are not dematerialised shares;
“certificated shareholders”	holders of certificated shares;
“CIH”	Community Investment Holdings Limited (Registration number 1995/007296/07) whose shareholders comprise the Mantokozo Investment Trust, a trust set up by Dr Anna Mokgokong, the Merino Investment Trust, a trust set up by Mr Joe Madungandaba and the Inkonkoni Trust;
“this Circular” or “this document”	this Circular to shareholders, dated 17 September 2012, incorporating a notice of general meeting and a form of proxy (<i>blue</i>);
“Companies Act” or “Act”	the Companies Act, 2008 (Act No. 71 of 2008), as amended;
“conditions precedent”	the conditions precedent to which the Property Disposal is subject as set out in paragraph 8 of this Circular;
“Corporate Actions”	respectively, the conversion of par value shares to no par value shares, the increase in the authorised share capital and the adoption of the new MOI;
“CSDP”	a person that holds in custody and administers securities or an interest in securities and that has been accepted in terms of section 34 of the Securities Services Act by a central securities depository as a participant in that central securities depository or a “participant”, as defined in the Securities Services Act;
“CIPC”	the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act, or its successor body;
“dematerialised shareholders”	holders of dematerialised shares;
“dematerialised shares”	Jasco shares that have been dematerialised through a CSDP or broker and are held in a sub-register in electronic form;
“directors”	directors of Jasco;
“documents of title”	valid share certificates, certified transfer deeds, balance receipts or any other proof of ownership of Jasco shares, reasonably acceptable to Jasco;

“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, made in terms of paragraph 9 of the Currency and Exchanges Act, 1933 (Act No. 9 of 1933), as amended;
“general meeting” or “shareholders’ meeting”	the meeting of shareholders, to be held at the corner Alexandra Avenue and 2nd Road, Midrand, 1685, at 10:00 on Monday, 22 October 2012 to consider and, if deemed fit, approve the resolutions necessary to implement the Corporate Actions and the Property Disposal;
“group”	Jasco and its subsidiaries;
“Jasco” or “the Company”	Jasco Electronics Holdings Limited (Registration number 1987/003293/06), a public company duly registered and incorporated under the laws of South Africa, the ordinary shares of which are listed on the JSE;
“Jasco shares”	ordinary shares with a par value of 0.1 cent each in the issued share capital of Jasco;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Securities Services Act;
“last practicable date”	Friday, 7 September 2012, being the last practicable date prior to the finalisation of this document;
“Lease Agreement”	the lease agreement entered into between Jasco and Genesis, the salient features of which are set out in paragraph 3 of this Circular;
“Listings Requirements”	the Listings Requirements of the JSE;
“MOI”	the current memorandum of association and articles of association and the proposed new Memorandum of Incorporation of Jasco, to be adopted by shareholders at the general meeting of shareholders, the salient features of which are set out in Annexure 8 of the Circular;
“notice of shareholders’ meeting”	the notice convening the shareholders’ meeting which is attached to and forms part of this Circular;
“ordinary shareholders”	holders of ordinary Jasco shares;
“ordinary shares”	ordinary shares with a par value of 0.1 cent each in the share capital of Jasco and subsequent to the general meeting and conversion being ordinary shares of no par value in the issued share capital of Jasco;
“preference shares”	29 884 633 redeemable preference shares with a par value of 0.1 cent each in the share capital of Jasco issued to CIH in terms of the Jasco empowerment transaction;
“Property”	the Jasco Head Office described as Portion 13 of Agricultural Holding No. 1, Halfway House Estate, Registration Division IR, Gauteng (corner Alexandra Avenue and 2 nd Road, Midrand, 1685, South Africa), being the property disposed of by Jasco to the Purchaser;
“Property Disposal”	the disposal of the Property to the Purchaser for the Purchase Consideration;
“Purchase Consideration”	the purchase consideration to be paid to Jasco by the Purchaser, being an amount of R60 million including VAT at 0%;
“Purchaser” or “Genesis”	Genesis Properties Proprietary Limited (Registration number 2009/014194/07), a private company incorporated in accordance with the laws of South Africa, being the purchaser of the Property. Genesis is a privately owned property investment vehicle established in May 2010 which operates under the Genesis group brand. The directors of Genesis are BI Klark, BM Roberts and DL Shur. None of the directors or shareholders of Genesis has a direct or indirect interest in Jasco;
“Rand” or “R” or “cents”	South African Rand and cents, the official currency of South Africa;

“register”	Jasco’s securities register, including all sub-registers;
“Sale Agreement”	the sale agreement entered into between Jasco and Genesis in terms of which Genesis will acquire the Property from Jasco on the terms and conditions set out in paragraph 7 of this Circular;
“Securities Services Act”	the Securities Services Act, 2004 (Act No. 36 of 2004) as amended;
“SENS”	the Securities Exchange News Service, the news service operated by the JSE;
“shareholders”	certificated shareholders and dematerialised shareholders;
“Strate”	Strate Limited (Registration number 1998/022242/06), a public company incorporated in accordance with the laws of South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
“sub-register”	each of Jasco’s sub-registers of members administered and maintained by CSDPs in electronic form;
“subsidiary”	a subsidiary company, as defined in paragraph 3 of the Companies Act;
“TIA”	tenant installation allowance payable by Genesis as detailed in paragraph 7.2.2 of the Circular;
“Transfer”	the registration and transfer of ownership of the Property from Jasco to Genesis;
“transfer secretaries”	Link Market Services South Africa Proprietary Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the laws of South Africa; and
“VAT”	Value Added Tax.



JASCO ELECTRONIC HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003293/06)

Share code: JSC ISIN: ZAE000003794

("Jasco" or "the Company")

CIRCULAR TO shareholders

Directors of Jasco

Executive

AMF da Silva (*Chief Executive Officer*); W Prinsloo (*Financial Director*);

Non-executive

Dr ATM Mokgokong* (*Chairperson*); MJ Madungandaba* (*Deputy chairman*); Chevalier JA Sherry*
JC Farrant*#; Ms Morongwe Malebye*#; Mr H Moolla*#

* Non-executive

Independent

1. INTRODUCTION

- 1.1 In the Announcement, Jasco shareholders were advised that Jasco had entered into a Sale Agreement with Genesis in order to dispose of the Property for the Purchase Consideration, subject to certain conditions precedent set out in paragraph 8 of this Circular. In addition, as part of the Property Disposal, Jasco has entered into a back-to-back Lease Agreement with Genesis.
- 1.2 the board also proposes the following Corporate Actions:
 - 1.2.1 the conversion of the authorised and issued share capital of the Company from ordinary shares of par value to ordinary shares of no par value;
 - 1.2.2 the increase in the authorised share capital of the Company from 150 000 000 ordinary shares to 750 000 000 ordinary shares of no par value; and
 - 1.2.3 the adoption of a new MOI.
- 1.3 The purpose of this Circular is to provide Jasco shareholders with information on the Property Disposal and Corporate Actions, the proposed ordinary and special resolutions and the manner in which they will be implemented in order to comply with the Companies Act and the Listings Requirements.
- 1.4 A general meeting has been convened in terms of the notice of general meeting attached to and forming part of this Circular, to be held at 10:00 on Monday, 22 October 2012 at which shareholders can consider and vote on the respective resolutions required to implement the Property Disposal and Corporate Actions.

2. RATIONALE FOR THE PROPERTY DISPOSAL

As previously communicated to shareholders, the management of Jasco have developed a number of key strategies to maximise the return for shareholders which includes *inter alia* the disposal and/or shutting down of non-core and/or non-performing assets.

The Disposal Property is considered to be non-core to the business and accordingly the proposed disposal thereof is expected to yield the following benefits to Jasco:

- enable Jasco to increase its return on capital to the extent that the net proceeds are invested into business growth opportunities;
- de-gearing of Jasco's balance sheet thereby enabling the group to capitalise on future growth opportunities; and
- enhanced cash utilisation can be achieved in the short term, as the short-term cash realised from the disposal proceeds exceeds the cash injection that could be obtained by utilising the existing bond facility on the Property.

3. LEASE AGREEMENT

The salient features of the Lease Agreement entered into between Jasco and Genesis are set out below:

- the Lease Agreement entered in is to be based on a triple net lease, in terms of which all costs in relation to the operation, maintenance, insurance, levies, municipal rates and taxes in respect of the Property will be for the account of the tenant;
- a monthly rental of R541 667 (excluding VAT), escalating at 6% per annum payable monthly in advance; and
- as mentioned in 7.2.2, the Purchaser will pay the TIA of R5 million (excluding VAT) to the Seller on the Transfer Date.

4. SHARE CAPITAL

- 4.1** Conversion of the share capital of the Company from ordinary shares of par value to ordinary shares of no par value

Article 8 of Jasco's MOI makes provision for the conversion of the share capital of the Company from ordinary shares of par value to ordinary shares of no par value. To comply with the provisions of section 35(2) and schedule 5, section 6 of the Companies Act, the board proposes the conversion of the ordinary share capital of the Company from ordinary shares with a par value of 1 cent to that of ordinary shares with no par value.

- 4.2** Increase in the authorised share capital from 150 000 000 to 750 000 000 shares of no par value.

Shareholders are requested to approve the increase in the authorised share capital of the Company from 150 000 000 to 750 000 000 shares of no par value, as set out in the special resolution contained in the notice of general meeting forming part of this Circular.

Jasco currently has in issue almost all of its existing authorised issued share capital, and in order to position Jasco to be able to implement its previously communicated strategy of acquisitive growth as well as the recapitalisation of its balance sheet, through either a rights issue and/or specific issue of new shares, the board proposes that the authorised share capital is increased accordingly to accommodate these future corporate actions.

- 4.3** Share Capital

- 4.3.1** Jasco's authorised and issued share capital at the last practicable date **before** the creation of the additional 600 000 000 ordinary shares and the conversion to no par value shares, are as set out below:

Authorised share capital	R
150 000 000 ordinary shares of R0.01	1 500 000
29 884 633 redeemable preference shares of R0.01	298 846
<hr/>	
Issued share capital	
146 399 336 ordinary shares of R0.01	1 463 993
2 962 038 treasury shares held by the Jasco Share Incentive Scheme	(3 787 288)
2 528 954 treasury shares held by the Spescom Limited Share Trust	(3 362 845)
Share premium	218 771 000

4.3.2 After the conversion of par value to no par value shares and the creation of an additional 600 000 000 shares, Jasco's authorised and issued share capital are expected to be as set out below:

Authorised share capital	R
750 000 000 ordinary shares of no par value	–
29 884 633 redeemable preference shares of no par value	–
<hr/>	
Issued share capital	
146 399 336 ordinary shares of no par value	220 234 993
2 952 038 treasury shares held by the Jasco Share Incentive Scheme	(3 787 288)
2 528 954 treasury shares held by the Spescom Limited Share Trust	(3 362 845)
Stated capital	213 084 860

5. THE ADOPTION OF A NEW MEMORANDUM OF INCORPORATION

- 5.1** To ensure consistency with provisions of the Act, the board proposes the substitution of the existing memorandum and articles of association of the Company, which predates the Act, with the new MOI which is consistent with the Act. The notice of the annual general meeting as contained in this Circular includes a special resolution for the approval of such new MOI for the Company by shareholders.
- 5.2** A copy of the complete MOI is available for inspection at the Company's registered office, as set out in paragraph 27 below. The salient clauses of the MOI are set out in Annexure 8 of this Circular.

6. CONDITIONS PRECEDENT TO THE CORPORATE ACTIONS

- 6.1** The respective Corporate Actions are subject to the following conditions precedent;
- 6.1.1** the required regulatory approvals;
- 6.1.2** the special resolution being proposed at the shareholders' meeting and adopted by a majority representing not less than 75% of the votes exercised by shareholders present and entitled to vote, either in person or by proxy; and
- 6.1.3** the registration of the special resolutions by CIPC.

7. DISPOSAL OF THE PROPERTY

- 7.1** The Sale Agreement is effective on the date that all the conditions precedent have been fulfilled, which date cannot exceed six months from the date of signature of the Sale Agreement or such later date as may be agreed in writing between the Seller and the Purchaser ("**Effective Date**"). The Property Disposal is effective on the date that Transfer is registered in favour of the Purchaser, which event can only occur after the Effective Date ("**Transfer Date**").
- 7.2** In terms of the Sale Agreement entered into between Jasco and Genesis, the Purchaser will acquire the Property (as described in the "Definitions" section of this Circular) from Jasco on the following terms:
- 7.2.1** The purchase consideration is payable in cash on the date of Transfer.
- 7.2.2** Genesis will pay a tenant installation allowance of R5 million (excluding VAT) to Jasco on the date of Transfer.
- 7.2.3** Possession of the Property shall be given by Jasco to the Purchaser on the date of Transfer.
- 7.3** The cash proceeds paid to Jasco pursuant to the Property Disposal will be used in part to settle the outstanding mortgage on the Property and the balance will be used to meet current capital expenditure and working capital requirements.
- 7.4** A summary of the independent valuation of the Property is contained in Annexure 1 of this Circular.
- 7.5** The Property Disposal is categorised as a Category 1 transaction in terms of the Listings Requirements of the JSE.

8. CONDITIONS PRECEDENT TO THE PROPERTY DISPOSAL

8.1 The Property Disposal is subject to the following conditions precedent (“CPs”), which must be fulfilled and/or waived, in the first instance, within 90 days of the signature date of the Sale Agreement or in the event of there being any delays in fulfilling such CPs, and such delays being beyond the control of either the Seller or the Purchaser, the period for fulfilment of the CPs shall be automatically extended to the Effective Date:

8.1.1 the Purchaser and Jasco entering into the Lease Agreement within 21 days of the signature date of the Sale Agreement, which Lease Agreement has been signed (as detailed in paragraph 3 above). Hence, this CP (8.1.1) has been fulfilled;

8.1.2 the securing, to the extent necessary, of all regulatory approvals and consents required. It should be noted that Jasco is required to provide the Purchaser with plans, duly approved by the appropriate local municipal authority, of the buildings and improvements on the Property within six months of the date of signature date of the Sale Agreement. The parties have undertaken to do whatever necessary, sign whatsoever documents are requisite and furnish whatever information is required in order to enable the expeditious fulfilment of this condition precedent;

8.1.3 all necessary shareholder approvals being obtained; and

8.1.4 the registration of the Transfer by the deeds office.

9. SHAREHOLDERS’ MEETING

9.1 A notice convening the general meeting and a form of proxy (*blue*), for use by certificated shareholders and own-name dematerialised shareholders, are attached to and form part of this Circular.

9.2 The general meeting will commence at 10:00 on Monday, 22 October 2012 at the offices of the Company, corner Alexandra Avenue and 2nd Road, Midrand, 1685, South Africa to consider and if deemed fit, to pass, with or without modification, the special and ordinary resolutions necessary to effect the conversion of the R0.01 par value ordinary shares to no par value ordinary shares, the increase in the authorised share capital of the Company, the adoption of the new MOI and the Property Disposal.

9.3 Voting

9.3.1 In terms of the Listings Requirements, a 50% plus 1 (one) majority of votes of all shareholders present or represented by proxy at the general meeting must be obtained in respect of the ordinary resolution to approve the Property Disposal.

9.3.2 Jasco’s MOI requires special resolutions to be approved by shareholders for the conversion of the share capital from par value shares to no par value shares and for the increase in the authorised share capital of the Company. In terms of the Act, a 75% majority of votes of all shareholders present or represented by proxy at the general meeting must be obtained in respect of the special resolutions.

9.3.3 The special resolution to approve the New MOI requires at least 75% majority of votes of all shareholders present or represented by proxy at the general meeting.

10. FINANCIAL INFORMATION

10.1 Unaudited *pro forma* financial effects of the Property Disposal on the Jasco group

10.1.1 The unaudited *pro forma* financial effects, for which the directors of Jasco are responsible for the compilation, contents and preparation thereof, are provided for illustrative purposes only to show the effect of how the Property Disposal might impact the earnings, headline earnings, diluted earnings and diluted headline earnings per share as if the Property Disposal had taken effect on 1 July 2011 and how the Property Disposal might impact the net asset value and net tangible asset value per share as if the Property Disposal had taken

effect on 31 December 2011. Because of their nature, the unaudited *pro forma* financial effects may not be a fair reflection of Jasco's financial position and performance or its future results. The unaudited *pro forma* financial effects have been compiled from the unaudited consolidated financial statements of Jasco for the six months ended 31 December 2011 and have been prepared and presented in a manner consistent with the format and accounting policies adopted by Jasco (which comply with International Financial Reporting Standards) and have been adjusted as described in the notes below. *Pro forma* financial effects on the unaudited interim results of Jasco for the six months ended 31 December 2011 is as follow:

	Before the Disposal (Actual)⁽¹⁾ (cents)	After the Disposal (Pro forma) (cents)	Change (cents)	Change (%)
Earnings per share ("EPS") ^{(2) (4)}	6.4	11.9	5.5	84.9
Headline earnings per share ("HEPS") ^{(2) (4)}	6.9	5.7	(1.2)	(17.5)
Diluted EPS ^{(2) (4)}	6.4	11.9	5.5	84.9
Diluted HEPS ^{(2) (4)}	6.9	5.7	(1.2)	(17.5)
Net asset value per share ("NAVPS") ^{(3) (5)}	224.0	230.4	6.4	2.9
Net tangible asset value per share ("NTAVPS") ^{(3) (5)}	145.7	152.1	6.4	4.4
Shares in issue ('000)	146 399 336	146 399 336	–	–
Weighted average number of shares in issue ('000)	140 918 344	140 918 344	–	–
Diluted weighted average number of shares in issue (‘000)	140 918 344	140 918 344	–	–

Notes:

1. The "Before Published" financial information has been extracted, without adjustment, from Jasco's published unaudited interim results for the six months ended 31 December 2011.
2. For the purposes of calculating EPS, HEPS, diluted EPS and diluted HEPS, the Actual Before and unaudited *pro forma* figures are based on the weighted average number of shares in issue of 140 918 344. Furthermore, the following key assumptions have been made in the calculation of the unaudited *pro forma* figures:
 - (a) the Property Disposal became effective on 1 July 2011 and the Disposal consideration was received on that date;
 - (b) the Disposal consideration of R60 million was received in cash;
 - (c) the adjustments reflect the net pre-tax profit arising from the Property Disposal, amounting to R9 846 000, which has been calculated from, *inter alia* the unaudited statement of comprehensive income and statement of financial position of the Property, extracted from the unaudited management accounts of the Property. The board of Jasco is satisfied with the quality of the unaudited management accounts of the Property.
 - (d) the adjustments include a pre-tax rental expense of R4 569 000 that was straight lined over the actual lease period, to reflect the new lease of the Property;
 - (e) net pre-tax interest cost savings totalling R2 213 000 arose due to the utilisation of the Disposal consideration for the following:
 - to settle the mortgage loan on the Property, resulting in an interest cost saving of R786 000, calculated at an interest rate of prime minus 1% per annum; and
 - to reduce the Company's overdraft facilities resulting in an interest cost saving of R1 427 000 calculated at an interest rate of 9% per annum;

- (f) The pre-tax profit is calculated taking pre-tax transaction costs of R2 512 000 into account. The transaction costs are not tax deductible as they are capital in nature, but are added to the base cost of the Property for purposes of calculating the taxable capital gain;
- (g) a corporate tax rate of 28% was applied resulting in a net tax saving arising from the Property Disposal of R222 000 which was recognised in the statement of comprehensive income;
3. For the purposes of calculating NAVPS and NTAVPS the Actual Before and *pro forma* figures are based on the actual number of shares in issue of 146 399 336. Furthermore, the following key assumptions have been made in the calculation of the unaudited *pro forma* figures:
- (a) the Disposal consideration was utilised to settle the outstanding balance of the mortgage loan on the Property of R31 000 000;
- (b) the Disposal consideration was utilised to decrease the Company's overdraft facilities by R29 000 000;
- (c) share capital and reserves include the net after tax profit realised on the Property Disposal of R9 409 000 in;
- (d) property, plant and equipment decreased by R50 154 000 to reflect the book value of the Property that was sold in terms of the Property Disposal;
- (e) a deferred tax liability of R6 653 000 was derecognised;
- (f) a capital gains tax (CGT) liability amounting to R7 090 000 was raised;
4. The Property Disposal has been accounted for in terms of IAS 16: *Property, Plant and Equipment*.

10.2 Report of historical financial information on the Property

10.2.1 The three-year historical financial information on the Property is set out in Annexure 2 of this Circular and the reporting accountants' report on the historical financial information of the Property is contained in Annexure 3.

11. VENDOR INFORMATION

Details of the vendors of the Jasco group in the preceding three years are set out in Annexure 6 of this Circular.

12. MATERIAL LOANS AND BORROWINGS

Details of the material loans and borrowings of the Jasco group are detailed below:

12.1 Loans and borrowings

12.1.1 Interest-bearing borrowings

	2011 R'000
Interest-bearing liabilities	
Secured	
Property loan facility: Nedbank Limited	18 676
Principal amounts owing in respect of finance lease agreements on furniture and office equipment	412
– Gross minimum lease payments	623
– Finance charges	(211)
Principal amounts owing in respect of instalment sale agreements	3 962
– Gross minimum lease payments	4 575
– Finance charges	(613)
Preference shares	100 000
	123 050

	2011
	R'000
Unsecured	
Term loan	13 759
Loans from non-controlling shareholders	13 585
	27 344
Current portion transferred to short-term borrowings	(14 141)
– Property loan facility	(1 546)
– Finance lease agreements	(277)
– Instalment sale agreements	(1 465)
– Term loan	(10 853)
	136 253
Short-term borrowings	
Short-term borrowings comprise:	
– Current portion of non-current interest-bearing liabilities*	14 141
– Insurance payment plan	514
– Bank overdrafts	38 735
	53 390

The bank overdrafts are secured by a cession over trade receivables of the group.

* The current portion of the non-current interest-bearing liabilities will be repaid out of cash resources of the group.

- 12.1.2** The group is party to a property loan agreement by registering a bond of R31 000 000 over its property, described as Portion 198 (a portion of portion 2) of the farm Waterval No. 5 IR in the extent of 1 9827 hectares. The loan attracts interest at the prime overdraft rate less 1% and is repayable in 120 equal instalments by 30 September 2016.
- 12.1.3** The finance lease agreements bear interest at the prime overdraft interest rate, and are repayable in equal instalments over periods between one to three years. These liabilities are secured over furniture and equipment with a net book value of R 277 477 (2010: R372 177).
- 12.1.4** The instalment sale agreements bear interest at the prime overdraft rate and are repayable in equal instalments over periods between one to three years. These liabilities are secured over motor vehicles and equipment with a net book value of R2 479 883 (2010: R1 578 263) and will be repaid within 36 months.
- 12.1.5** The preference shares consist of 40 000 fully paid-up cumulative redeemable preference shares that were issued to AfroCentric as part of the purchase consideration for M-TEC. The loan is secured by the Investment in M-TEC. Bears interest at 80% of the prime overdraft interest rate and is redeemable after five years but not before three years.
- 12.1.6** The term loan constitutes a R30 million loan from Standard Bank. It is unsecured, repayable by 30 September 2012 in 12 quarterly payments and bears interest at the three-month JIBAR quoted on the first day of the quarter plus 5.62%. As at 30 June 2011 and 2010, Jasco has complied with the term loan covenants.
- 12.1.7** The loans from non-controlling shareholders are unsecured, attract interest between 5% and the prime overdraft interest rate and repayment has been deferred until at least 30 June 2013 (2010: 30 June 2012).

12.2 Debenture capital

At the last practicable date:

- no company comprising the Jasco group has in issue any debentures created in terms of a trust deed; and

- no debentures or debenture stock have been issued by way of conversion or replacements of debentures previously issued.

12.3 Borrowing powers

Jasco's current memorandum and articles of association are not restrictive in respect of maximum borrowing powers. In terms of the proposed new MOI, the directors of the Company are permitted to borrow or raise funds as they deem necessary for the operation of the group.

12.3.1 No material loans are outstanding and owing by Jasco or any of its subsidiaries as at the last practicable date other than as set out in paragraph 12.1.

12.3.2 Jasco has not made any loans to or for the benefit of any director, manager or associate of any director or manager of Jasco.

12.3.3 No loan capital is currently outstanding other than as set out in paragraph 12.1.

12.4 Details of intercompany balances between Jasco and its subsidiary companies at 31 December 2011 are set out in Annexure 7 of this Circular. Save as otherwise disclosed, at the last practicable date, the Jasco group does not have any other material loans or borrowings outstanding, nor has it extended any material loans to any other party outside of the group.

13. MATERIAL CONTRACTS

13.1 Material acquisitions and disposals by the Jasco group

During the three years preceding the date of issue of this Circular:

- no material disposals of businesses, companies, immovable properties or other properties in the nature of fixed assets, or proposed material disposals or acquisitions of businesses, companies, immovable properties or other properties in the nature of a fixed assets, by the group have taken place, other than as set out in Annexure 6 of this Circular.

13.2 Other than the transactions detailed in Annexure 6, neither Jasco nor any company comprising the Jasco group:

- has entered into any material contracts, either verbally or in writing, during the two years preceding the date of Circular, other than in the ordinary course of its business; and
- has entered into any material contracts, other than in the ordinary course of business, containing an obligation or settlement that is material to the Jasco group as at the last practicable date.

14. MATERIAL CHANGES

14.1 Other than disclosed in paragraph 13 above and Annexure 6 of this Circular, there have been no material changes in the financial or trading position of Jasco since the end of the last financial period for which the unaudited interim results to December 2011 have been published.

14.2 Save for the proposed Property Disposal, the subject of this Circular, and the acquisition of Ferro Resistant Technologies (Proprietary) Limited on 1 January 2012, no material change in the business affairs or financial position of the combined group during the past five years has occurred which has not been the subject of a report to shareholders. Furthermore, as far as the directors are aware, there has been no material change in the business affairs or financial position of the combined group since the most recent financial year-end of the Company, namely 30 June 2012, up to the last practicable date.

15. LITIGATION STATEMENT

There are currently no legal or arbitration proceedings, including any such proceedings that are pending or threatened which may have, or have had, a material effect on Jasco or any of its subsidiaries financial position during the last 12 months preceding the date of this Circular.

16. MAJOR JASCO SHAREHOLDERS

16.1 Major and controlling shareholders and shareholder spread

16.1.1 Prior to the acquisition by Jasco of a 34% economic interest in M-Tec, effective 1 June 2008, Jasco's controlling shareholder CIH, through Malesela Holdings No. 1 (Proprietary) Limited ("Malesela"), in conjunction with the Inkonkoni Trust, exercised 54.4% of the voting rights in Jasco's issued share capital. Following the acquisition by Jasco of a 34% economic interest in M-Tec, CIH, through Malesela, directly held approximately 24.2% of the voting rights in Jasco, and in conjunction with the Inkonkoni Trust, 34.7% of the voting rights in AfroCentric.

16.1.2 In terms of the AfroCentric investment, effective 1 June 2008, AfroCentric acquired 34.9% of the voting rights in Jasco. As a result, control of Jasco changed from CIH (originally holding 54.4%) to both CIH and AfroCentric, holding 59.1% of the voting rights in Jasco.

16.1.3 Prior to the Property Disposal and other than the directors, AfroCentric and CIH are collectively interested in 46% (67 340 543 shares) in the ordinary share capital of Jasco.

16.1.4 As a result of the acquisition by Jasco of Spescom Limited, effective 25 January 2011, Vantage Capital has an indirect interest in the share capital of Jasco of 5.53%.

16.1.5 There has been no other change in Jasco or its subsidiaries controlling shareholder and/or trading objects during the previous five years, save for the change in control that resulted from the M-Tec acquisition and the AfroCentric investment, as disclosed above.

16.2 As a result of the Property Disposal and as far as the directors are aware, no one person or entity has a controlling stake in the Jasco group.

16.3 Analysis of Jasco shareholding as at the last practicable date, before implementation of the Property Disposal:

	Number of shareholders	% of total	Number of shares	% of total
Size of shareholding				
1 – 1 000	1 585	45.97	544 067	0.37
1 001 – 5 000	849	24.62	2 404 318	1.64
5 001 – 10 000	339	9.83	2 778 925	1.90
10 001 – 100 000	556	16.13	18 173 324	12.41
100 001 and over	119	3.45	122 498 677	83.67
Total	3 448	100.00	146 399 311	100.00
Analysis of shareholders				
• individuals	3 015	87.44	35 895 536	24.52
• financial institutions and corporate bodies	433	12.56	110 503 775	75.48
Total	3 448	100.00	146 399 311	100.00
Jasco ordinary shareholders' spread				
at 30 June 2010				
Non-public				
• BEE partners	5	0.14	75 437 709	51.53
• Jasco directors	2	0.06	2 227 108	1.52
• Associates of Jasco directors	1	0.03	23 000	0.02
• Jasco Employee Share Incentive Trust	1	0.03	3 331 838	2.28
• Spescom Limited Share Trust	1	0.03	2 528 954	1.73
Total	10	0.29	83 548 609	57.07
Public	3 440	99.71	62 850 702	42.93
Total	3 450	100	146 399 311	100

16.4 Major shareholders

At the last practicable date and insofar as is known to Jasco, the following shareholders, other than the directors, are beneficially interested in 5% or more of the share capital of the Company:

Ordinary shares

• AfroCentric	39 963 793	27.30
• CIH*	27 143 125	18.54
• Vantage Capital#	7 422 402	5.07

* CIH's shares in Jasco are held by Malesela Holdings No. 1 (Pty) Limited and the Inkonkoni Trust.

Vantage Capital's shares are held by Vantage Capital Fund Managers (Pty) Limited and Vantage Capital Group (Pty) Limited No. 2.

16.5 No person interested in 10% or more of the issued share capital of Jasco

- is a fund or portfolio manager managing more than one fund or portfolio, where each such fund is interested in 10% or more of Jasco's securities;
- is a registered holder of securities that are the subject of a depository receipt programme; and
- is a nominee shareholder where the beneficial shareholders that such nominee represents, are interested in 10% or more of Jasco's securities.

16.6 Analysis of Jasco's shareholding after implementation of the Property Disposal and Corporate Actions:

At the last practicable date, insofar as is known to Jasco, the following, other than the directors, will be the only shareholders beneficially holding, whether directly or indirectly, in excess of 5% of the Company's issued share capital:

Shareholder	Number of shares	Percentage of issued share capital
• AfroCentric	39 963 793	27.30
• CIH*	27 143 125	18.54
• Vantage Capital	7 422 402	5.07

17. DIRECTORS' REMUNERATION

17.1 The remuneration of the directors of Jasco will not be varied as a result of the Property Disposal and Corporate Actions.

17.2 Details of directors' remuneration for the most recent financial year ended 30 June 2011 are set out below:

17.2.1 Executive directors' emoluments before implementation of the Property Disposal and Corporate Actions.

The remuneration paid to executive directors in respect of the most recent financial year-end of the Company, namely, 30 June 2011, is set out in the table below:

		Short-term benefits						
		Basic salary	Bonuses and performance related payments	Fees paid for acceptance of office	Fees paid for loss of office	Sums paid by way of expense allowance	Total short-term benefits	
		R	R	R	R	R	R	
2011 (12 months)								
Executive paid by Jasco Electronics Holdings Limited								
MH Lotz***		-	-	-	-	-	-	
Executive paid by Jasco Trading (Pty) Limited								
AMF da Silva*		415 037	-	207 519	-	5 356	627 912	
MH Lotz***		1 764 262	2 751 667	-	900 000	17 110	5 433 039	
WA Prinsloo		1 233 548	150 000	-	-	40 704	1 424 253	
O Seiphero**		628 883	-	-	267 112	12 945	908 940	
		4 041 730	2 901 667	207 519	1 167 112	76 116	8 394 144	
2011 (12 months)								
Executive paid by Jasco Electronics Holdings Limited								
MH Lotz		-	-	-	-	(24 914)	(24 914)	
Executive paid by Jasco Trading (Pty) Limited								
AMF da Silva*		32 217	-	-	13 150	27 943	701 222	
MH Lotz***		117 607	-	-	92 292	-	5 642 938	
WA Prinsloo		70 932	-	-	92 856	66 553	1 654 594	
O Seiphero**		34 148	-	-	52 006	-	995 094	
		254 904	250 304	94 496	250 304	94 496	8 993 848	

* for a period of two months; appointed on 5 May 2011.

** for a period of 10 months; resigned on 4 April 2011.

*** resigned on 29 June 2011.

17.2.2 Non-executive directors' emoluments before implementation of the Property Disposal and Corporate Actions

The Company's remuneration committee considers and recommends fees for non-executive directors after taking into account duties performed and market trends. Non-executive directors receive a fixed remuneration for their services based on their participation in Board meetings and other committees. Non-executive directors do not receive incentive bonus payments nor do they participate in the group's Share Incentive Scheme.

The Company's non-executive directors received the following remuneration in respect of the most recent financial year-end of the Company, namely, 30 June 2011:

	Short-term benefits				Total R
	Fees for services as a director R	Basic salary R	Bonuses and performance related payments R	Sums paid by way of expense allowance R	
2011 (12 months)					
Non-executive paid by Jasco Electronics Holdings Limited					
ATM Mokgokong	293 755	–	–	–	293 755
MJ Madungandaba	302 148	–	–	–	302 148
JC Farrant	188 675	–	–	–	188 675
AMF da Silva*	157 229	–	–	–	157 229
J A Sherry	125 574	–	–	–	127 574
J Rothbart	307 707	–	–	–	307 707
M Malibye**	–	–	–	–	–
	1 377 088	–	–	–	1 377 088

* for a period of 10 months; appointed as executive director on 5 May 2011.

** appointed 29 June 2011.

Save for the above, no other payments in any form have been made to the directors of the Company. No fees have been paid, accrued or are proposed to be paid to any third party *in lieu* of directors' fees.

18. DIRECTORS' INTERESTS IN SHARES

18.1 Directors' existing interests in Jasco shares

18.1.1 The directors' direct and indirect beneficial interests in Jasco ordinary shares, including that of directors who resigned during the 18 months preceding this Circular, are fully set out in the table below.

	Beneficial direct shares held	Beneficial indirect shares held	Shares held by associates	Total number of shares held	Percentage of issued share capital ¹
Executive directors					
MH Lotz*	–	–	–	–	–
WA Prinsloo	–	–	–	–	–
O Seiphero*	–	–	–	–	–
Non-executive directors					
Dr A Mokgokong	–	8 213 025	–	8 213 025	5.61%
Chevalier JA Sherry	2 077 108	–	–	2 077 108	1.42%
MJ Madungandaba	–	19 163 725	–	19 163 725	13.09%
Dr J Rothbart*	–	–	–	–	–
JC Farrant	150 000	–	23 000	173 000	0.12%
AMF da Silva	–	–	–	–	–
H Moolla	10 000	–	–	–	–
M Malebye	–	–	–	–	–
	2 237 108	27 376 750	23 000	29 626 858	20.24%

- *
 - MH Lotz resigned on 29 June 2011.
 - O Seiphero resigned on 4 April 2011.
 - Dr J Rothbart resigned on 8 June 2012.

18.1.2 The directors' direct and indirect beneficial options in Jasco ordinary shares, including that of directors who resigned during the 18 months preceding this Circular, are fully set out in the table below.

	O Seiphero*	AMF da Silva	MH Lotz*	WA Prinsloo
Opening balance	120 000		2 517 504	420 000
Number of share options awarded		1 463 993	–	580 000
Strike price of awards				
Strike dates				
Number of share options exercised				
Options forfeited	(120 000)		(2 517 504)	
Price at which share options were exercised				
Closing balance of share options	–	1 463 993	–	1 000 000

18.2 Directors' interests in Jasco shares assuming implementation of the Corporate Actions and Property Disposal

18.2.1 Following implementation of the Corporate Actions and Property Disposal, there will be no change in the direct and indirect beneficial interests of the directors in the shares of the Company.

18.2.2 At the date of publication of this Circular, there have been no material changes to the disclosed direct and indirect beneficial interest of the directors above.

18.2.3 There are no shares issued and allotted in terms of a share or option scheme held as a pledge against an outstanding loan which has not been fully paid for.

19. DIRECTORS' INTERESTS IN THE PROPERTY DISPOSAL AND CORPORATE ACTIONS

19.1 None of the directors of Jasco has any beneficial interest in the outcome of the Property Disposal, save insofar as they may be shareholders of Jasco, having vested interests similar to those of any other shareholder of Jasco.

19.2 None of the directors of Jasco, including directors who have resigned in the 18 months prior to this Circular, have any material direct or indirect beneficial interest in the Property Disposal nor in any Corporate Actions that was effected by the group during the current or immediately preceding financial year, which remains in any respect outstanding or unperformed.

20. OTHER FEES OF A SECRETARIAL OR TECHNICAL NATURE

As at the last practicable date, no contracts exist as regards the provision of any secretarial or other technical services to the group by any party of a material nature.

21. PRELIMINARY EXPENSES AND ISSUE EXPENSES

21.1 The expenses of the Property Disposal and Corporate Actions incurred by Jasco are expected to amount to approximately R2 512 million (excluding VAT) and are as follow:

Description	R'000
Corporate adviser and sponsor to Jasco – Grindrod Bank Limited	750 000
Auditors and reporting accountants – Ernst & Young Inc.	100 000
Commercial lawyer – Rossouws, Lesie Inc.	100 000
Independent property valuator – PROVAL	15 000
Commission on sale of property	1 300 000
Printing costs and announcements, including media publication and distribution – Ince (Pty) Limited	105 000
Documentation inspection fee – JSE Limited	30 000
Other miscellaneous	112 000
Total	2 512 000

21.2 The only other preliminary expenses of a material nature incurred by the Jasco group in the three years preceding the date of issue of this Circular were as follow:

21.2.1 Acquisition of Ferro Resistant Technologies (Pty) Limited on 1 January 2012:

	(R)
Legal advisers – Rossouws, Lesie Inc.	28 000
Due diligence adviser – Samuel Kennedy (Pty) Limited	112 000
Corporate adviser and sponsor to Jasco – Grindrod Bank Limited	30 000
Printing costs and announcements, including media publication and distribution – Ince (Pty) Limited	100 000
Total	270 000

- 21.2.2** Expenses relating to the acquisition of Spescom Limited and Jasco's portion of the scheme, as fully disclosed in a Circular to shareholders dated 9 November 2010:

Description	R'000
Corporate adviser and sponsor to Jasco – Grindrod Bank Limited	1 480 000
Independent sponsor to Jasco – Vunani Corporate Finance	70 000
Auditors and reporting accountants – Ernst & Young Inc.	300 000
Due diligence advisers – Ernst & Young Inc. and Eversheds	1 400 000
Commercial lawyer – Rossouws, Lesie Inc.	250 000
Printing costs and announcements, including media publication and distribution – Ince (Pty) Limited	300 000
Listing fee for the new Jasco shares to be listed on the JSE – JSE Limited	36 799
Documentation inspection fee – JSE Limited	35 505
Transfer secretaries – Link Market Services South Africa (Pty) Limited	15 000
Court and legal cost in relation to the Scheme	280 000
Competition Commission	100 000
Other miscellaneous	187 696
Total	4 455 000

- 21.2.3** Acquisition of the Snapper Plug and Accessory Range on 5 August 2010:

	(R)
Legal advisers – Rossouws, Lesie Inc.	83 896
Publication announcement – Studio 5 Graphic Design	26 698
Total	110 594

- 21.2.4** Acquisition by Jasco of an initial 30% equity interest and call option to acquire an additional 20% plus one share, in the share capital of Maringo Communications (Proprietary) Limited on 1 July 2009:

	(R)
Legal advisers – Rossouws, Lesie Inc.	273 956
Corporate adviser and sponsor – PSG Capital (Pty) Limited	50 000
Acquisition announcements – Ince (Pty) Limited	77 483
Legal due diligence – Fuller Choice Investments	60 000
Total	461 439

- 21.2.5** Acquisition by Jasco Trading (Proprietary) Limited, a wholly owned subsidiary of Jasco, of a 51% equity interest in and shareholder loan of Leblanc CIH Lighting Structures (Proprietary) Limited from Community Investment Holdings (Proprietary) Limited on 30 June 2009:

	(R)
Legal advisers – Rossouws, Lesie Inc.	
Independent expert and sponsor – PSG Capital (Pty) Limited	125 000
Acquisition announcements – Ince (Pty) Limited	71 875
Legal due diligence – Fuller Choice Investments	75 000
Documentation fees – JSE Limited	1 980
Share Transfer Duty	17 500
Acquisition of Shares – Allen Lephako Inc.	25 000
Total	316 355

22. IRREVOCABLE UNDERTAKINGS

The following signed irrevocable undertakings have been received from Jasco shareholders, being duly entitled/authorised, totalling 75 437 709 Jasco shares and representing 51.53% of Jasco's existing issued share capital, to vote in favour of the Transaction at the general meeting:

Shareholder	Expiry date	Number of shares	Percentage
AfroCentric	31 October 2012	39 963 793	27.30
CIH	31 October 2012	27 143 125	18.54
Vantage Capital	31 October 2012	7 422 402	5.07
Total		74 529 320	50.91

23. WORKING CAPITAL STATEMENT

The board has considered the effects of the Property Disposal and is of the opinion that the working capital available to the Jasco group, both prior and subsequent to the implementation of the Property Disposal, is adequate for the group's present requirements i.e. for the next 12 months from the date of issue of this Circular.

24. DIRECTORS' RESPONSIBILITY STATEMENT

24.1 Responsibility statement of by the directors of Jasco

24.1.1 The directors of Jasco:

- have considered all statements of fact and opinion in this Circular;
- collectively and individually, accept full responsibility for the accuracy of the information given for purposes of providing appropriate information to Jasco shareholders in regard to and for purposes of the Property Disposal and Corporate Actions;
- certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading;
- have made all reasonable enquiries in this regard; and
- certify that, to the best of their knowledge and belief, that the Circular contains all information required by law and the Listings Requirements.

25. OPINIONS AND RECOMMENDATIONS

25.1 Opinion of the Jasco board

The board of directors has considered the terms and conditions of the Property Disposal and Corporate Actions and is of the opinion that the future prospects of the Company, are sound and that the Property Disposal and Corporate Actions is in the best interest of all Jasco's stakeholders.

All of the Company's directors who own shares in their personal capacity intend to vote in favour of the Property Disposal and Corporate Actions and all other required resolutions at the general meeting.

26. CONSENTS

Each of the advisers set out in the "Corporate Information and Advisers" section of this Circular have provided their written consent to act in the capacity stated and to their names being used in this Circular and, in the case of the reporting accountants, reference to their report in the format and context in which it appears in this Circular, and have not withdrawn such consent prior to the publication of this Circular. The reporting accountants have given, and not withdrawn their written consent to the issue of the Circular, containing the reporting accountant's report in the form and context in which it appears.

27. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, are available for inspection during normal business hours on business days at the registered office of Jasco in Johannesburg up to and including the date of the general meeting:

- existing memorandum and articles of association of Jasco and its subsidiary companies;
- proposed new Memorandum of Incorporation;
- copies of the service agreements of the directors;
- the Jasco Employee Share Incentive Trust Deed;
- the independent valuator's valuation regarding the Property;
- the Sale Agreement;
- the Lease agreement;
- the annual reports of Jasco for the periods ended 30 June 2011, 30 June 2010 and 30 June 2009;
- the interim financial statements for Jasco for the six months ended 31 December 2011;
- the written consent of each of the advisers set out in the "Corporate Information and Advisers" section of this Circular;
- the signed report of Ernst & Young Inc. on the unaudited *pro forma* financial effects and information and notes in regard thereto as set out in Annexure 5 of this Circular;
- the signed report from Ernst & Young Inc. on the three year historical financial information of the Property as set out in Annexure 3 of this Circular; and
- a signed copy of this Circular.

Signed by

AMF da Silva

Chief Executive Officer

on his own behalf as a director of Jasco and on behalf of all of the other directors of Jasco, being duly authorised thereto in terms of a directors' resolution.

17 September 2012

Registered office

Corner Alexandra Avenue and 2nd Road, Midrand, 1685, South Africa

SUMMARY OF THE INDEPENDENT VALUATION REPORT ON THE PROPERTY

SUMMARY OF VALUATION REPORT FOR JASCO PROPERTIES (PTY) LIMITED (FORMERLY SPESCOM PROPERTIES (PTY) LIMITED)

In terms of section 13 of the JSE Listings Requirements relating to valuation reports, the following is confirmed:

Market valuation

R65 300 000

Property address and registered description

Corner of 2nd Street and Alexandra Avenue, Halfway House and registered as Portion 198 (a portion of portion 2) of the Farm Waterval No. 5, Registration Division IR, Province Gauteng.

Date of inspection

1 August 2012

Physical attributes

The extent of the land is 1 9827 hta and the total area of the improvements is approximately 7 000m². Improvements are the head office of Jasco Electronics Holdings Limited and consists a double storey brick and mortar structure under a pitched roof profile covered with asbestos slate.

Existing use

The primary use is offices.

Town planning

The property is zoned as "Special" with a permitted use of electronic apparatus although other uses may be obtained by consent from the local authority. Other regulations include; coverage – 30%, floor area ratio – 0.5, height – two storeys, building lines – 10m along 2nd Street and 15m on other boundaries and parking – four bays/100m² of offices and two bays/100m² of other areas.

Statutory contravention relating to town planning and Title Deed conditions

Parking bays are in contravention of the town planning regulations but are not material. The balance of the town planning regulations is compliant. There are no onerous terms and conditions in the Title Deed that may impact on the value of the property.

Tenure

The property is freehold and owner occupied against a five-year internal lease. A new 12-year lease-back agreement has been entered that has been incorporated into the sale agreement dated 13 August 2012.

Tenant leases

The property is owner occupied and therefore not applicable.

Approximate age of main building

25 years.

Intragroup lease

An existing lease is currently held between Jasco Properties (Pty) Limited (the lessor) and Jasco Trading (Pty) Limited (the lessee). The term is for five years commencing 1 October 2011 and expiring 30 September 2016, the commencement monthly rental is R536 800 (excluding VAT). The property is identity as Portion 13 of Agricultural No. 1, Halfway House Estate which was the original property description.

Valuer information

Graham Richard Miller

Professional Associate Valuer

Registration number 3430

Without Restrictions

Address, 63 Stellenberg Estate, Magaliessig, Fourways

Method of valuation

The Discounted Cash Flow method of valuation has been applied to the new triple net lease-back rental arrangement that will supersede the existing intragroup lease on transfer. This lease forms part of the sale agreement between Jasco Properties (Pty) Limited (the seller) and Genesis Properties (Pty) Limited (the purchaser). The 12-year predetermined income stream, commencing at R541 667 (excluding VAT) per month, escalating at 6% per annum, has been discounted by 13.5% over the periods to arrive at a collective net present value. In year 13 a reversionary income was projected and capitalised at 10% and deferred back to the date of valuation. The aggregate of both net present amounts equate to the final value.

HISTORICAL FINANCIAL INFORMATION ON THE PROPERTY

The report of the three-year historical financial information on the Property is set out below:

1. BASIS OF PREPARATION

The condensed historical financial information ("Historical Financial Information") has been extracted from the audited and unaudited interim financial statements of Jasco Properties (Proprietary) Limited (formerly known as Spescom Properties (Proprietary) Limited. The Historical Financial Information set out below covers the following periods:

- Audited 12 months to September 2009
- Audited 12 months to September 2010
- Audited nine months to June 2011
- Unaudited six months to December 2011

The Historical Financial Information contained in this Annexure 2 is the responsibility of the directors of Jasco.

The Historical Financial Information, which includes, *inter alia*, statements of comprehensive income, statements of financial position, statements of changes in equity and statements of cash flows which have been extracted from the aforementioned respective periods and were reported on by Ernst & Young Inc. without qualification. The Historical Financial Information has been prepared in accordance with IFRS and the requirements of the Companies Act.

The Historical Financial Information is presented in Rands, which is also the Company's functional currency, and are rounded to the nearest thousand, except where otherwise indicated.

2. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the Companies Act, the Spescom directors are responsible for the preparation of the annual financial statements which conform to IFRS, and in accordance with IFRS fairly represent the state of affairs of the Company as at the end of 31 December 2011, and the net profit and cash flows for that period.

It is the responsibility of the independent auditors to report on the fair presentation of the financial statements.

The directors are ultimately responsible for the internal controls. Management enables the directors to meet these responsibilities. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of the financial statements in terms of IFRS and to adequately safeguard, verify and maintain accountability for group assets. Accounting policies supported by judgements, estimates, and assumptions which comply with IFRS are applied on a consistent and going concern basis. Systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

Systems and controls are monitored throughout the Company. Based on the information and explanations given by management and the internal auditors, the directors are of the opinion that the accounting controls are adequate and that the financial records may be relied upon for preparing financial statements in accordance with IFRS and maintaining accountability for the group's assets and liabilities. Nothing has come to the attention of the directors to indicate that any breakdown in the functioning of these controls, resulting in material loss to the Company, has occurred during the year and up to the date of this report.

The directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

3. STATEMENT OF COMPREHENSIVE INCOME

	Six months Dec 2011 R	Nine months Jun 2011 R	12 months Sep 2010 R	12 months Sep 2009 R
Revenue	2 491 584	3 434 789	4 713 994	4 958 065
Interest received	177	7 592	14 633	10 585
Turnover	2 491 407	3 427 197	4 699 361	4 947 480
Rental income	2 491 407	3 427 197	4 699 361	4 947 480
Gross profit/(loss)	2 491 584	3 434 789	4 713 994	4 958 065
Other income	–	–	–	15 682 420
Administration expenses	(176 312)	(844 736)	(923 003)	(1 918 231)
Other expenses	(669 146)	(1 207 530)	(859 827)	–
Operating profit/(loss)	1 646 126	1 382 523	2 931 164	18 722 254
Finance costs	(784 952)	(1 243 666)	(2 015 800)	(2 862 611)
Profit/(loss) before taxation and income from associate and joint venture	861 174	138 857	915 364	15 859 643
Profit/(loss) before taxation	861 174	138 857	915 364	15 859 643
Taxation (expense)/income	(241 129)	(46 954)	(161 693)	(2 245 161)
Net profit/(loss) for the year	620 045	91 903	753 671	13 614 482
<i>Attributable to:</i>				
Equity holders of the parent	620 045	91 903	753 671	13 614 482
Minority interests				
	620 045	91 903	753 671	13 614 482

4. STATEMENTS OF FINANCIAL POSITION

	Six months Dec 2011 R	Nine months Jun 2011 R	12 months Sep 2010 R	12 months Sep 2009 R
ASSETS				
Non-current assets	75 842 869	85 138 433	67 500 000	67 630 254
Plant and equipment	50 155 371	50 138 433	50 000 000	50 130 254
Investment in subsidiaries	17 500 000	35 000 000	17 500 000	17 500 000
Amounts owing from subs	8 187 498	–	–	–
Current assets	277 242	98 656	328 049	184 755
Trade and other receivables	249 933	–	7 656	–
Foreign currency contracts				
Taxation prepaid	–	64 799	43 603	97 088
Cash and cash equivalents	27 309	33 857	276 790	87 667
Total assets	76 120 111	85 237 089	67 828 049	67 815 009

	Six months Dec 2011 R	Nine months Jun 2011 R	12 months Sep 2010 R	12 months Sep 2009 R
EQUITY AND LIABILITIES				
Shareholders' equity	40 490 040	39 869 995	39 778 092	39 024 421
Share capital	100	100	100	100
Retained profit/(loss)	40 489 940	39 869 895	39 777 992	39 024 321
Parent shareholders equity	40 490 040	39 869 995	39 778 092	39 024 421
Non-current liabilities	32 834 579	25 887 514	25 963 822	26 929 541
Non-current interest bearing liabilities	28 543 579	17 129 882	18 129 128	19 871 787
Non-current non-interest bearing liability				
Amounts owing to subsidiaries	–	4 466 632	3 554 894	2 752 789
Deferred income tax liability	4 291 000	4 291 000	4 279 800	4 304 965
Current liabilities	2 795 492	19 479 580	2 086 135	1 861 047
Trade and other payables	523 019	17 847 028	302 240	313 028
Provisions	4 325	86 500	55 197	192 147
Taxation	176 330			
Short-term borrowings	2 091 818	1 546 052	1 728 698	1 355 872
Total equity and liabilities	76 120 111	85 237 089	67 828 049	67 815 009

5. STATEMENT OF CASH FLOWS

	Six months Dec 2011 R	Nine months Jun 2011 R	12 months Sep 2010 R	12 months Sep 2009 R
Cash flows from operating activities				
Cash (utilised in)/generated from operations	(15 454 306)	18 960 343	2 891 392	2 839 973
Interest received	177	7 592	14 633	10 585
Finance costs	(784 952)	(1 243 666)	(2 015 800)	(2 862 611)
Taxation paid	–	(56 950)	(133 373)	(10 207)
Net cash inflow/(outflow) from operating activities	(16 239 081)	17 667 319	756 852	(22 260)
Cash flows from investing activities				
(Increase)/decrease in amounts owing by subsidiaries	17 500 000	(17 500 000)		
Purchase of plant and equipment	(27 034)	(140 098)	–	–
Additions to plant and equipment	(27 034)	(140 098)	–	–
Net cash inflow/(outflow) from investing activities	17 472 966	(17 640 098)	–	–

	Six months Dec 2011 R	Nine months Jun 2011 R	12 months Sep 2010 R	12 months Sep 2009 R
Cash flows from financing activities				
Non-current long term liabilities raised	11 413 697	(1 181 892)	(1 369 834)	(1 568 096)
Increase/(decrease) in amounts owing to subsidiaries	(12 654 130)	911 738	802 105	1 600 694
Net cash inflow/(outflow) from financing activities	(1 240 433)	(270 154)	(567 729)	32 598
Net increase/(decrease) in cash and cash equivalents	(6 548)	(242 933)	189 123	10 338
Cash and cash equivalents at beginning of year	33 857	276 790	87 667	77 329
Cash and cash equivalents at end of year	27 309	33 857	276 790	87 667
Cash and cash equivalents	27 309	33 857	276 790	87 667
Bank overdrafts	–	–	–	–
Cash and cash equivalents at end of year	27 309	33 857	276 790	87 667

6. STATEMENT OF CHANGES IN EQUITY

	Share capital R	Share premium R	Treasury shares R	Non-distributable reserve R	Accumulated losses/ Retained profits R	Total parent share-holders equity R	Minority interest R	Total equity R
Balance B/F	100					25 409 839		25 409 939
Profit/(loss) for the year						13 614 482		13 614 482
Balance as at 30 June 2009	100	-	-	-	39 024 321	39 024 421	-	39 024 421
Profit/(loss) for the year					753 671	753 671	-	753 671
Balance as at 30 June 2010	100	-	-	-	39 777 992	39 778 092	-	39 778 092
Profit/(loss) for the year					91 903	91 903	-	91 903
Balance as at 30 June 2011	100	-	-	-	39 869 895	39 869 995	-	39 869 995
Profit/(loss) for the year					620 045	620 045	-	620 045
Balance as at 31 December 2011	100	-	-	-	40 489 940	40 490 040	-	40 490 040

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7.1 Basis of preparation

The annual financial statements have been prepared in accordance with the historical cost convention, except for certain financial assets and liabilities which are measured at fair value.

The annual financial statements are presented in South African Rand.

Statement of compliance

The annual financial statements of Spescom Properties (Proprietary) Limited have prepared in accordance with International Financial Reporting Standards (IFRS).

7.2 Changes in accounting policy and disclosures

The accounting policies are consistent with those of the previous financial year except as follows:

The Company has adopted the following new and amended IFRS and IFRIC interpretations during the year. Adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Company. They did however give rise to additional disclosures.

- IFRS 7 Financial Instruments: *Disclosures*

7.3 Significant accounting judgements and estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimations and assumptions which have a significant effect on the amounts recognised in the financial statements.

Estimations and assumptions

In the process of applying the accounting policies, management has made certain judgments.

The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed in the following below.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Management's judgement on the recognition of deferred tax assets relating to STC credits is detailed in the taxation policy.

7.4 Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and that the revenue can be readily measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and other sales taxes or duties. The following specific recognition criteria must be met before revenue is recognised:

Interest accrued

Revenue is recognised as interest accrues, taking into account the effective yield on the asset.

Rental income

Rental income is derived from operating leases and is recognised on a straight-line basis over the life of the lease.

7.5 Borrowing costs

Borrowing costs are recognised as an expense when incurred.

7.6 Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is provided using the liability method on all temporary differences at the reporting date. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Value added tax (VAT)

Revenues, expenses and assets are recognised net of value added tax except for:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the Receiver of Revenue, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the Receiver of Revenue is included as part of receivables or payables in the statement of financial position.

7.7 Plant and equipment

Plant and equipment are stated at cost, less accumulated depreciation and impairments.

Subsequent costs are included in the asset's carrying amount or recognised as a component, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the corporation and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to profit or loss during the financial period in which they are incurred.

The depreciable period for each class of equipment is as follows:

Furniture and equipment	5 – 10 years
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An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to rise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

The asset's residual values, useful lives and the depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Assets acquired under finance leases are capitalised and are depreciated in accordance with Company policy.

7.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of comprehensive income in the period in which they arise.

Fair values are evaluated regularly by an accredited external, independent valuer, applying a valuation model recommended by the International Valuation Standards Committee.

7.9 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount is estimated as the higher of the net selling price and the value in use.

An impairment loss is recognised whenever the carrying amount exceeds the recoverable amount. Impairment losses and reversal of impairment losses are separately disclosed in the income statement, above the income before tax subtotal.

7.10 Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or company of financial assets is impaired.

7.11 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash on hand and deposits held at call with banks.

7.12 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The expense relating to any provision is presented in profit or loss.

7.13 Leases

Company as a lessor

Leases where all the risks and benefits of ownership of the asset are not substantially transferred are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

7.14 Financial instruments

Financial instruments are recognised when the Company becomes party to the contractual arrangement of the instrument.

All financial instruments are initially measured at fair value. Direct costs are only included if the financial instrument is not designated as fair value through profit and loss. Subsequent measurement of these instruments is set out below.

The purchase and sale of financial assets are recognised on the trade date, which is the date that the Company commits to purchase or sale of the assets.

8. SEGMENTAL REPORTING

The Company only operated in one business segment and one geographical segment, and accordingly, no segment report has been prepared.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE PROPERTY

The directors
Jasco Electronics Holdings Limited
Corner 2nd Road and Alexandra Avenue
Halfway House
Midrand
1685

12 September 2012

INDEPENDENT REPORTING ACCOUNTANTS' REPORT IN RESPECT OF THE HISTORICAL FINANCIAL INFORMATION OF JASCO PROPERTIES PROPRIETARY LIMITED (FORMALLY SPESCOM PROPERTIES PROPRIETARY LIMITED)

Introduction

At your request, and for the purposes of the Circular to shareholders of Jasco Electronics Holdings Limited ("Jasco") to be dated on or about 17 September 2012 ("the Circular"), we present our report on the historic financial information of Jasco Properties Proprietary Limited (formally Spescom Properties Proprietary Limited) for the periods ended 30 September 2009, 30 September 2010, and 30 June 2011, and for the six months ended 31 December 2011, as set out in Annexure 2 of the Circular ("the historical financial information"), in compliance with the Listings Requirements of the JSE Limited ("the JSE").

Responsibilities

The directors of Jasco are responsible for the compilation, contents and preparation of the Circular and for the accuracy of the information, including the Historical Financial Information and any other financial information contained therein. The Annual Financial Statements, on which the Historical Financial Information is based, are the responsibility of the directors of Jasco Properties Proprietary Limited.

Our responsibility is to express an opinion on the Historical Financial Information of Jasco Properties Proprietary Limited included in Annexure 2 of the Circular.

Scope

We have audited the Historical Financial Information of Jasco Properties Proprietary Limited for the periods ended 30 September 2009, 30 September 2010, and 30 June 2011, prepared in accordance with International Financial Reporting Standards, and in terms of the Companies Act in South Africa. We have reviewed the Historical Financial Information of Jasco Properties Proprietary Limited for the six months ended 31 December 2011, prepared in accordance with International Financial Reporting Standards, and in terms of the Companies Act in South Africa.

Basis of our audit opinions

We conducted our audits in accordance with International Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance that the Historical Financial Information for the periods ended 30 September 2009, 30 September 2010, and 30 June 2011 are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Historical Financial Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

As audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis of review opinion

We conducted our review in accordance with the International Standard on Review Engagements 2410 applicable to the review of financial information. This standard requires that we plan and perform the review to obtain moderate assurance that the Historical Interim Information for the six months ended 31 December 2011, presented in terms of International Financial Reporting Standards ("IFRS") and IAS 34, is free of material misstatement. A review is limited primarily to enquiries of company personnel and analytical procedures applied to financial data and this provides less assurance than an audit. We have not performed an audit of the abovementioned Historical Financial Information and, accordingly, we do not express an audit opinion thereon.

Audit opinions

In our opinion, the Historical Financial Information of Jasco Properties Proprietary Limited for the periods ended 30 September 2009, 30 September 2010, and 30 June 2011, fairly present for the purposes of the Circular, in all material respects, the financial positions at those dates, the financial performance and its cash flows for the periods then ended, and have been prepared in accordance with International Financial Reporting Standards, and in the manner required by the JSE Listings Requirements, and the Companies Act in South Africa.

Review opinion

Based on our review, nothing has come to our attention that causes us to believe that the Historical Financial Information of Jasco Properties Proprietary Limited for the six months ended 31 December 2011, has not been prepared in accordance with the basis of preparation included in the accounting policies of the Company, and have been prepared in accordance with International Financial Reporting Standards, IAS 34, and in the manner required by the JSE Listings Requirements, and the Companies Act in South Africa.

Consent

We have consented to the inclusion of this report, which will form part of the Circular to shareholders of Jasco, to be issued on or about 17 September 2012, in the form and context in which it appears.

ERNST & YOUNG INC.

Registered Auditors

Per: Allister Carshagen
Registered Auditor
Director

Ernst & Young Inc.
Wanderers Office Park
52 Corlett Drive
Illovo

UNAUDITED *PRO FORMA* FINANCIAL INFORMATION

The unaudited *pro forma* consolidated statement of comprehensive income and consolidated statement of financial position are set out below. The unaudited *pro forma* consolidated statement of comprehensive income and consolidated statement of financial position have been prepared for illustrative purposes only to provide information on how the Property Disposal might have impacted on the financial position and results of the Company. Because of their nature, the unaudited *pro forma* consolidated statement of comprehensive income and consolidated statement of financial position may not be a fair reflection of the Company's financial position, nor of its future results, after implementation of the Property Disposal.

The unaudited *pro forma* statement of comprehensive income and consolidated statement of financial position have been prepared using accounting policies that comply with International Financial Reporting Standards and that are consistent with those applied in the published audited condensed consolidated results of Jasco for the six months ended 31 December 2011.

The directors of Jasco are responsible for the compilation, contents and preparation of the unaudited *pro forma* financial information contained in the Circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the unaudited *pro forma* financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Jasco; and the *pro forma* adjustments are appropriate for the purposes of the unaudited *pro forma* financial information disclosed in terms of the JSE Listings Requirements.

The unaudited *pro forma* consolidated statement of comprehensive income and consolidated statement of financial position as set out below should be read in conjunction with the report of the independent reporting accountants which is included as Annexure 4 to this Circular.

1. Unaudited *Pro Forma* Condensed Statement of Comprehensive Income

The unaudited *pro forma* condensed consolidated statement of comprehensive income set out below presents the *pro forma* effects of the Property Disposal on the results of Jasco for the six months ended 31 December 2011. It has been assumed for purposes of presenting the unaudited *pro forma* consolidated statement of comprehensive income, the Property Disposal was implemented with effect from 1 July 2011.

(R'000)	Jasco Actual	<i>Pro forma</i>	30 June 2011
	Before⁽¹⁾⁽²⁾	adjustments⁽¹⁾⁽⁴⁾	<i>Pro forma</i> After
Revenue	493 940		493 940
Turnover	490 855		490 855
Interest received	3 085		3 085
Operating profit before interest and taxation	20 569	5 277	25 846
Interest received	3 085		3 085
Interest paid	(9 276)	2 213	(7 063)
Equity accounted income from associates	4 937		4 937
Profit before taxation	19 315	7 490	26 805
Taxation	(8 057)	222	(7 835)
Profit for the period/year	11 258	7 713	18 971
Other comprehensive income	625		625
Total comprehensive income for the period/year	11 883	7 713	19 596
<i>Profit attributable to:</i>			
– minority shareholders	2 177		2 177
– equityholders of the parent	9 081	7 713	16 794
Profit for the period/year	11 258		18 971
<i>Total comprehensive income attributable to:</i>			
– minority shareholders	2 177		2 177
– equityholders of the parent	9 706	7 713	16 794
Profit for the period/year	11 883		18 971

(R'000)	Jasco Actual Before⁽¹⁾⁽²⁾	Pro forma adjustments⁽¹⁾⁽⁴⁾	30 June 2011 Pro forma After
Reconciliation of headline earnings			
Net earnings attributable to equity holders of the parent	9 081		16 794
Headline earnings adjustments	584		(8 825)
– Fair value adjustment on disposal of associate	–		
– Profit on disposal of property	–		(9 409)
– Impairment of M-TEC	–		
– Impairment of trade names	–		
– Loss on disposal of fixed assets	584		(9 409)
Headline earnings	9 665		7 969
Number of shares in issue ('000)	146 399		146 399
Treasury shares ('000)	5 599		5 599
Weighted average number of shares on which earnings per share is calculated ('000)	140 918		140 918
Dilutive shares – CEO Share Incentive Scheme ('000)	–		
Weighted average number of shares on which diluted earnings per share is calculated ('000)	140 918		140 918
<i>Ratio analysis</i>			
Attributable earnings (R'000)	9 081		16 794
Earnings per share (cents)	6.4		11.9
Diluted earnings per share (cents)	6.4		11.9
Headline earnings per share (cents)	6.9		5.7
Diluted headline earnings per share (cents)	6.9		5.7
Dividend per share – interim (cents)	–		–
Dividend per share – final (cents)	–		–
Net asset value per share (cents)	224.0		230.4
Net tangible asset value per share (cents)	145.7		152.1

Notes:

1. The "Before Published" financial information has been extracted, without adjustment, from Jasco's published unaudited interim results for the six months ended 31 December 2011.
2. For the purposes of calculating EPS, HEPS, diluted EPS and diluted HEPS, the Actual Before and unaudited *pro forma* figures are based on the weighted average number of shares in issue of 140 918 344. Furthermore, the following key assumptions have been made in the calculation of the unaudited *pro forma* figures:
 - a. the Property Disposal became effective on 1 July 2011 and the Disposal consideration was received on that date;
 - b. the Disposal consideration of R60 million was received in cash;
 - c. the adjustments reflect the net pre-tax profit arising from the Property Disposal, amounting to R9 846 000, which has been calculated from, *inter alia* the unaudited statement of comprehensive income and statement of financial position of the Property, extracted from the unaudited management accounts of the Property. The board of Jasco is satisfied with the quality of the unaudited management accounts of the Property.
 - d. the adjustments include a pre-tax rental expense of R4 569 000 that was straight lined over the actual lease period, to reflect the new lease of the Property;
 - e. net pre-tax interest cost savings totalling R2 213 000 arose due to the utilisation of the Disposal consideration for the following:
 - to settle the mortgage loan on the Property, resulting in an interest cost saving of R786 000, calculated at an interest rate of prime minus 1% per annum; and
 - to reduce the Company's overdraft facilities resulting in an interest cost saving of R1 427 000 calculated at an interest rate of 9% per annum;
 - f. The pre-tax profit is calculated taking pre-tax transaction costs of R2 512 000 into account. The transaction costs are not tax deductible as they are capital in nature, but are added to the base cost of the Property for purposes of calculating the taxable capital gain; and
 - g. a corporate tax rate of 28% was applied resulting in a net tax saving arising from the Property Disposal of R222 000 which was recognised in the statement of comprehensive income.
3. The Property Disposal has been accounted for in terms of *IAS 16: Property, Plant and Equipment*.

2. Unaudited *Pro Forma* Consolidated Statement of Financial Position

The unaudited *pro forma* consolidated statement of financial position set out below presents the *pro forma* effects of the Property Disposal on the financial position of Jasco as at 31 December 2011. It has been assumed for purposes of presenting the unaudited *pro forma* consolidated statement of financial position that the Property Disposal was implemented on 31 December 2011.

(R'000)	Jasco Actual Before	Pro forma adjustments⁽¹⁾	30 June 2011 Pro forma After
ASSETS			
Non-current assets	436 566	(43 501)	393 065
Property, plant and equipment	105 691	(50 154)	55 537
Investment in associates	185 035		185 035
Intangibles	114 598		114 598
(Net) deferred tax asset	6 830	6 653	13 483
Other financial assets	24 412		24 412
Current assets	313 913		313 913
Inventories	74 421		74 421
Trade and other receivables	239 492		239 492
Taxation prepaid	–		–
Cash and cash equivalents	–		–
Total assets	750 479	(43 501)	706 978
EQUITY AND LIABILITIES			
Share capital and reserves	346 611	9 409	356 020
Non-current liabilities	150 554	(31 000)	118 333
Interest bearing liabilities	149 333	(31 000)	118 333
Deferred maintenance revenue	1 221		1 221
Deferred tax liability	–		–
Current liabilities	253 314	(21 910)	231 404
Interest bearing liabilities	15 160		15 160
Bank overdraft	38 414	(29 000)	9 414
Non-interest bearing liabilities	197 088		197 088
(Net) taxation liability	2 652	7 090	9 742
Total equity and liabilities	750 479	(43 501)	706 978

Notes:

- For the purposes of calculating NAVPS and NTAVPS the Actual Before and *pro forma* figures are based on the actual number of shares in issue of 146 399 336. Furthermore, the following key assumptions have been made in the calculation of the unaudited *pro forma* figures:
 - the Disposal consideration was utilised to settle the outstanding balance of the mortgage loan on the Property of R31 000 000;
 - the Disposal consideration was utilised to decrease the Company's overdraft facilities by R29 000 000;
 - share capital and reserves include the net after tax profit realised on the Property Disposal of R9 409 000 in;
 - property, plant and equipment decreased by R50 154 000 to reflect the book value of the Property that was sold in terms of the Property Disposal;
 - a deferred tax liability of R6 653 000 was derecognised;
 - a capital gains tax (CGT) liability amounting to R7 090 000 was raised.
- The Property Disposal has been accounted for in terms of *IAS 16: Property, Plant and Equipment*.

**INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE UNAUDITED
PRO FORMA FINANCIAL INFORMATION**

The directors
Jasco Electronics Holdings Limited
Corner Alexandra Avenue and 2nd Road
Midrand
1685

12 September 2012

Dear Sirs,

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE UNAUDITED
PRO FORMA FINANCIAL INFORMATION OF JASCO ELECTRONICS HOLDINGS LIMITED ("JASCO"
OR "THE COMPANY")****Introduction**

We have performed our limited assurance engagement in respect of the unaudited *pro forma* financial effects, statement of comprehensive income, and statement of financial position ("the unaudited *pro forma* Financial Information") as set out in Annexure 4 to the Circular to Jasco shareholders ("The Circular") in connection with offer received by Jasco to dispose of the property, the Jasco head office described as Portion 13 of Agricultural Holding No. 1, Halfway House Estate, Registration Division IR, Gauteng ("the Property") to be dated on or about 17 September 2012 ("Property Disposal").

The unaudited *pro forma* Financial Information has been prepared in accordance with the Listings Requirements of the JSE Limited (the "JSE Listings Requirements"), for illustrative purposes only, to provide information about how the Property Disposal might have affected the reported historical financial information presented, had the Property Disposal been undertaken at the commencement of the period or date of the *pro forma* statement of financial position being reported on.

Directors' responsibility

The directors of Jasco are responsible for the compilation, contents and preparation of the unaudited *pro forma* financial information contained in the Circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the unaudited *pro forma* financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Jasco; and the *pro forma* adjustments are appropriate for the purposes of the unaudited *pro forma* financial information disclosed in terms of the JSE Listings Requirements

Reporting accountant's responsibility

Our responsibility is to express our limited assurance conclusion on the unaudited *pro forma* financial information included in the Circular. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Revised Guide on *Pro Forma* Financial Information issued by The South African Institute of Chartered Accountants. This standard requires us to obtain sufficient appropriate evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited *pro forma* financial information, beyond that owed to those to whom those reports were addressed at their dates of issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted financial information with the source documents, considering the *pro forma* adjustments in light of the accounting policies of Jasco, the issuer, considering the

evidence supporting the *pro forma* adjustments and discussing the adjusted unaudited *pro forma* financial information with the directors of Jasco in respect of the Property Disposal that is subject to the Circular.

In arriving at our conclusion, we have relied upon financial information prepared by the directors of Jasco and other information from various public, financial and industry sources.

While our work performed has involved an analysis of the historical published audited financial information and other information provided to us, our assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that, in terms of sections 8.17 and 8.33 of the JSE Listings Requirements:

- the unaudited *pro forma* financial information has not been properly compiled on the basis stated,
- such basis is inconsistent with the accounting policies of Jasco, and
- the adjustments are not appropriate for the purposes of the *pro forma* financial information as disclosed.

Consent

We consent to the inclusion of this report, which will form part of the Circular in the form and context in which it will appear.

Yours faithfully

ERNST & YOUNG INC.

Registered Auditors
Per: Allister Carshagen
Registered Auditor
Director

Ernst & Young Inc.
Wanderers Office Park
52 Corlett Drive
Illovo

JASCO VENDORS

1. The following represents a list of all vendors of material assets acquired/disposed of by Jasco during the preceding five years:

Name of asset acquired or to be acquired ¹	Acquiring company	Date of acquisition	Names of vendors	Addresses of vendors	Percentage held by each vendor	Amount paid/ payable to each vendor	Total amount paid to vendors and percentage acquired by Jasco
1. Ferro Resistant Technologies (Proprietary) Limited ("FerroTech")	Jasco	1 January 2012	Founding shareholders and senior management, represented by the Sirron Trust, the Ronsha Trust, Marco da Silva and CIV Power (Proprietary) Limited	55 Regency Drive Route 21 Corporate Park Nellmapius RoadIrene	100%	R13 million discharged in cash in three instalments of R7.85 million; R3.0 million and R2.15 million	R13 million 100%
2. Spescom Limited	Jasco	25 January 2011	Spescom shareholders	N/A	100%	The Purchase Consideration	R11 815 208 cash; and 31 889 901 new Jasco shares 100%
3. Snapper range of plug and accessory products	Jasco	5 August 2010	Schneider Electrical SA (Proprietary) Limited	1 Riverview Office Park, Janadel Avenue, Midrand	100%	R7.5 million discharged in cash payable in three equal instalments of R2.5 million	R7.5 million 100%
4. An additional 0,5% interest in WebbleBLANC Communications (Pty) Limited ("WebbleBLANC")	Jasco	1 March 2010	LeBLANC CIH Lighting Structures (Proprietary) Limited (Lighting Structures"); LeBLANC Communications SA (Pty) Limited ("LeBlanc")	WLB – 18 Johnson Road, Pretoriusstad, Nigel	0.5%	An exchange of the 0.5% of the shares in Lighting Structures with LeBLANC, for an additional 0.5% interest in WebbleBLANC	

Name of asset acquired or to be acquired¹	Acquiring company	Date of acquisition	Names of vendors	Addresses of vendors	Percentage held by each vendor	Amount paid/ payable to each vendor	Total amount paid to vendors and percentage acquired by Jasco
5. LeBLANC CIH Lighting Structures (Proprietary) Limited	Jasco Trading (Proprietary) Limited, a wholly owned subsidiary of Jasco	1 September 2009	Namane Electrical (Proprietary) Limited, a wholly owned subsidiary of CIH	Atterbury Estate Block 1, 19 Frikkie de Beer Street, Menlyn, Pretoria	a 51% equity interest in and shareholder loan	R7 million	R7 million 51%
6. Maringo Communications (Proprietary) Limited	Jasco	1 July 2009	Shareholders of Maringo, comprising the four founding shareholders and two minority shareholders	Block 4 1st floor, Willows Office Park, George Street, Erand Gardens, Midrand	a 30% equity interest and call option to acquire an additional 20% plus one share	R4 million	R4 million 30%
7. Maringo Software Solutions (Proprietary) Limited			The four founding shareholders of Maringo		30% of the issued share capital	a cash consideration of R120	R120 30%
8. A 34% economic interest in M-Tec	Jasco Cables Investments (Proprietary) Limited	May 2008	Malesela Taihan Electric Cable (Proprietary) Limited Taihan	Atterbury Estate Block 1, 19 Frikkie de Beer Street, Menlyn, Pretoria 113 – 119 Shiheung-Dong Kumchan-ku Seoul Korea	49% of the ordinary shares in M-Tec 51.1% of the preference	R10 million and the issue of 27 415 385 Jasco ordinary shares R115 million	R214,1 million 34%
9. 100 % stake in Radio Communications Warehouse	Jasco	November 2008	Radio Communications Warehouse (Proprietary) Limited	Unit 6, Tifosa Park, Westlake Business Park, Westlake, Cape Town	100%	R2 653 929	R2 653 929 100%
10. 100% stake in Barco	Jasco	September 2008	Barco	20 The Highway Street, Florida, Roodepoort, Gauteng	100%	R874 538	R874 538 100%

Notes:

1. The vendors did not guarantee the book debts or other assets
2. Normal warranties were included in the agreements
3. Other than the restraint of trade imposed on Radio Communications Warehouse, which is applicable for a period of three (3) years, no other restrictions were imposed on the vendors.
4. Taxation remains the responsibility of the Company.
5. The assets of the target companies regarding the Snapper range, Radio Communications Warehouse and the Barco businesses have been transferred to Jasco. In the case of LeBlanc/CIH, Maringo and M-Tec, none of the target company assets were transferred to Jasco.
6. Apart from the shares in M-Tec, none of the assets/shares were ceded or pledged.

1.1 Goodwill

The addition in goodwill in 2011 relates to the acquisition of a controlling interest in Maringo Communications (Pty) Limited on 1 January 2011 (R12 881 399) and the acquisition of the Snapper business on 6 August 2010 (R611 526) and the Navlight business on 24 December 2010 (R1 029 870).

The addition in goodwill in 2010 relates to the acquisition of LeBLANC CIH Lighting Structures (Pty) Limited on 1 September 2009 (R2 044 748) and the acquisition of WebbLeBLANC Communications (Pty) Limited on 1 March 2010 (R24 177 547).

The group acquired the "Lighting Structures" brand on 1 September 2009 as part of the acquisition of the Lighting Structures subsidiary. Management has determined that the brand name has an indefinite useful life.

As at 30 June 2011 (30 June 2010), the goodwill and intangible assets with an indefinite useful life were tested for impairment. The cash flow projections from financial budgets approved by the board of directors, covering a one-year period, are discounted to the present value, using discount rates appropriate to the cash-generating unit the asset belongs to (between 16.18% and 20.4%). Revenue growth assumptions after the first year was between 7.5% and 12.5% based on the historic performance and the sector in which the business operates. A long term growth rate of 2.5% was assumed into perpetuity. Based on the result of the valuation, no impairment of the goodwill or the brand name is required for the current or prior year.

SUBSIDIARY COMPANIES, MATERIAL INTERCOMPANY LOANS AND RELATED PARTY TRANSACTIONS

1. SUBSIDIARY COMPANIES

The following table shows all of the operational subsidiaries of the Jasco Group on 30 June 2011 none of which are listed on any stock exchange:

Name and registration number	Date and place of incorporation	Issued share capital	Percentage held by Jasco	Intercompany loan	Nature of business	Date of becoming a subsidiary	Director
1. Spescom (Proprietary) Limited	16 March 1987 Pretoria	78 768 056 ordinary shares with a par value of 1 cent each	100%	Nil	Intermediary holding company	25 January 2011	Refer to paragraph 5.2 of the Circular
2. Jasco Trading (Proprietary) Limited 19181/005693/07	February 1981 Pretoria	4 180 ordinary shares with a par value of 1 cent per share	100%	R74 341 000	The provision of telecommunication, manufacturing of niche products and the offering of security solutions	26 February 1990	Motiatsi Lekhesa; Martin Lotz; Warren Prinsloo; Olga Seiphemo
3. Jasco Cables Investments (Proprietary) Limited 2007/006169/07	February 2007 Pretoria	100 ordinary shares with a par value of 1 cent per share and 40 000 preference shares with a par value of 0.1 cent	100%	R9 214 000	Investment holding company	7 March 2008	Martin Lotz
4. LeBLANCJasco (Proprietary) Limited (formerly LeBLANC CIH Lighting Structures (Proprietary) Limited)		100 ordinary shares with a par value of 1 cent per share	50.5%	Nil			
5. Tasselane Services (Proprietary) Limited 2006/034233/07	March 2006 Pretoria	100 ordinary shares with a par value of 1 cent per share	100%	R3 120 000	The offering of technical, installation and maintenance services to the telecommunications industry	1 March 2007	Warren Prinsloo;

Name and registration number	Date and place of incorporation	Date and place of issued share capital	Percentage held by Jasco	Intercompany loan	Nature of business	Date of becoming a subsidiary	Director
6. Telescience (Proprietary) Limited (formerly Tasselane Technologies (Proprietary) Limited) 2000/021545/07	November 2000 Pretoria	4 000 ordinary shares with a par value of 1 cent per share	100%	R13 858 000	The company holds the sole and exclusive right to distribute 3M telecommunication products. The company also sells and services reclosers and is an importer and distributor of such products	1 March 2003	Martin Lotz; Warren Prinsloo; Olga Seipherno
7. WebbleBLANC Communications (Proprietary) Limited*		100 ordinary shares with a par value of 1 cent per share	50.5%	R5 000 000			
8. Jasco Tasselane (Proprietary) Limited (formerly Telescience ((Proprietary) Limited)# 1990/007641/07	March 1990 Pretoria	10 ordinary shares with a par value of 1 cent per share	100%	Nil	Dormant	1 March 2003	Martin Lotz; Warren Prinsloo; OlgahSeipherno
9. Plumbago Technologies 53 (Proprietary) Limited# (trading as RapidCloud Technologies) 2007/002882/07	March 2007 Pretoria	100 ordinary shares with a par value of 1 cent per share	100%	Nil	Dormant	1 April 2007	Martin Lotz
10. Multivid (Proprietary) Limited# (formerly Jasco Shelf Co TSC (Proprietary) Limited) 1983/011658/07	March 1983 Pretoria	100 ordinary shares with a par value of 1 cent per share	100%	Nil	Dormant	11 August 2003	Martin Lotz; Warren Prinsloo
11. Special Cables (Pty) Limited (formerly Jasco Shelf Co SASP (Proprietary) Limited)# 1983/005809/07	March 1983 Pretoria	500 ordinary shares with a par value of 1 cent per share	100%	Nil	Dormant	24 July 1987	Martin Lotz; Warren Prinsloo

Name and registration number	Date and place of incorporation	Date and place of issued share capital	Percentage held by Jasco	Intercompany loan	Nature of business	Date of becoming a subsidiary	Director
12. Webb Industries (Pty) Limited*# 1973/000243/07	June 1973 Pretoria	100 ordinary shares with a par value of 1 cent per share	100%	Nil	Dormant	1 October 1982	Martin Lotz; Warren Prinsloo
13. Webb Masts & Towers (Proprietary) Limited *# 1997/020315/07	June 1997 Pretoria	100 ordinary shares with a par value of 1 cent per share	100%	Nil	Dormant	26 November 1997	Martin Lotz; Warren Prinsloo
14. Jasco Shelf Co SASP (Proprietary) Limited (formerly Special Cables (Proprietary) Limited) Deregistered		4 000 ordinary shares with a par value of 1 cent per share	100%	Nil			
15. Jasco Shelf Co TSC (Proprietary) Limited (formerly Multivid (Proprietary) Limited) Deregistered		1 000 ordinary shares with a par value of 1 cent per share	100%	Nil			
16. LeBLANCJasco (Proprietary) Limited 2005/002613/07		100 ordinary shares with a par value of 1 cent per share	50.5%	Nil	Design, manufacture and installation of communication and lighting masts	1 September 2009	George Patton (Canadian); Jonathan Perry (British); Dr Anna Mokgokong; Joe Madungandaba
17. WebbLeBLANC Communications (Proprietary) Limited 2006/006193/07		100 ordinary shares with a par value of R1 per share	50.5%	R 5 000	The manufacture, supply, erection of an installation of towers and mast engineering in the telecommunication and technology sector and similar business activities.	1 March 2010	Martin Lotz; Olga Seiphemo; George Patton (Canadian); Jonathan Perry (British)

* Shares owned by Jasco Trading (Proprietary) Limited

Dormant company

2. RELATED PARTY TRANSACTIONS AND MATERIAL INTERCOMPANY LOANS

- 2.1 As detailed in the Circular to shareholders dated 30 April 2008, Jasco acquired a 34% economic interest in M-Tec. In terms of paragraph 10.1 of the Listings Requirements, CIH, through its wholly owned subsidiary Malesela Holdings No. 1 (Proprietary) Limited, was regarded as a “material shareholder” in Jasco and thus a related party to Jasco in terms of the M-Tec acquisition. The total consideration of R214 100 000, was payable by the issue of 27 415 385 Jasco ordinary shares at an issue price of 325 cents per share and a cash payment of R125 000000.
- 2.2 On 1 September 2009, Jasco Trading (Proprietary) Limited, a wholly owned subsidiary of Jasco acquired a 51% equity interest in and shareholder loan of LeBLANC CIH Lighting Structures (Proprietary) Limited from Namane Electrical (Proprietary) Limited, a wholly owned subsidiary of CIH, for a purchase consideration of R7 million. At the time of the acquisition, CIH owned 23.9% of Jasco’s issued share capital and therefore regarded as a material shareholder and a related party to Jasco. Full details of the acquisition were announced to shareholders on 15 December 2009.
- 2.3 Save for the information disclosed in this Annexure 6, at 30 June 2011, the most recent financial year-end of the Company, no material intercompany loans were in place and as at the last practicable date, no material changes have occurred in this regard.
- 2.4 No related party transactions occurred during the financial year of the Company ended 30 June 2011.

SALIENT FEATURES OF THE PROPOSED NEW MEMORANDUM OF INCORPORATION

The salient features of the new Memorandum of Incorporation to be proposed to shareholders for approval at the general meeting are set out below:

2. CONFLICTS WITH THE MOI

In accordance with the Act, in any instance where there is an express or tacit conflict between a provision of this MOI and:

- 2.1 an alterable or elective provision of the Act, the provision of this MOI shall prevail to the extent of the conflict, provided that such alterable or elective provision of the Act expressly allows for the Company to adopt the conflicting provision;
- 2.2 an unalterable or non-elective provision of the Act, the unalterable or non-elective provision of the Act shall prevail, provided that if there is conflict between any provision of the Act and a provision of the JSE Listings Requirements, then:
 - 2.2.1 the provisions of both the Act and the JSE Listings Requirements apply concurrently, to the extent that it is possible to apply and comply with one of the inconsistent provisions without contravening the second; and
 - 2.2.2 to the extent that it is impossible to apply and comply with one of the inconsistent provisions without contravening the second, the provisions of the Act prevail to the extent of the conflict, except to the extent that the Act expressly provides otherwise.

3. AMENDMENT OF THE MOI

- 3.1 The provisions of this MOI may only be altered or amended:
 - 3.1.1 in compliance with a court order as contemplated in section 16(1)(a) and section 16(4) of the Act;
 - 3.1.2 by way of special resolution of shareholders passed in accordance with the provisions of section 16(1)(c);
 - 3.1.3 by the board in a manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the MOI, as contemplated in section 17 of the Act; or
 - 3.1.4 by the business rescue practitioner as contemplated in section 152(6)(b) of the Act.
- 3.2 Save as specifically provided for in clause 3.1, this MOI is not capable of amendment by any other method. Accordingly, the provision of section 16(1)(b) of the Act shall not apply, nor shall any other alterable provisions of the Act that allows for a method for the alteration or amendment of the MOI other than those methods contemplated in this clause 3.1.
- 3.3 Any amendment to the MOI shall take effect from:
 - 3.3.1 In the case of an amendment that changes the name of the Company, the date set out in the amended registration certificate issued by CIPC.
 - 3.3.2 In any other case, on the later of:
 - 3.3.2.1 the date on, and the time at, which CIPC accepts the filing of the Notice of Amendment of the MOI, or
 - 3.3.2.2 the date, if any, set out in the Notice of Amendment of the MOI.

4. RULES

- 4.1 The board is prohibited from making any rules as contemplated in section 15(3) of the Act, and the board's capacity to make such rules is hereby excluded.

6. POWERS OF THE COMPANY

- 6.1 The Company is governed by:
- 6.1.1 the unalterable provisions of the Act, subject only to such higher standards, greater restrictions, longer periods of time or similarly more onerous requirements as may be imposed on the Company by this MOI in relation to such unalterable provisions;
 - 6.1.2 the alterable provisions of the Act, subject to such limitations, extensions, qualifications, restrictions and alterations contained in this MOI; and
 - 6.1.3 the further provisions of this MOI.
- 6.2 The Company has, except to the extent that a juristic person is incapable of exercising such power, or having such capacity, all of the legal powers and capacity of an individual.
- 6.3 The legal powers and capacity of the Company are not subject to any restrictions, limitations or qualifications contemplated in section 19(1)(b)(ii).
- 6.4 There is no provision of this MOI which constitutes a restrictive condition as contemplated in section 15(2)(b) or (c) of the Act.

8. SHARE CAPITAL

- 8.1 The Company is authorised to issue the number and class of shares as set out in schedule 1 hereto.
- 8.2 Notwithstanding the provisions of section 36(3), the board shall not have the power to:
- 8.2.1 increase or decrease the number of authorised shares of any class of shares;
 - 8.2.2 re-classify any classified shares that have been authorised but not issued;
 - 8.2.3 classify any unclassified shares that have been authorised but not issued; and
 - 8.2.4 determine the preferences, rights, limitations or other terms of shares in a class, which powers shall be capable of being exercised by the shareholders by way of special resolution, as contemplated in clause 26.11, and in accordance with the JSE Listings Requirements.
- 8.3 All the shares of any particular class authorised by the Company rank *pari passu* and as such have the preferences, rights, limitations and other terms that are identical to those of other shares in the same class
- 8.4 Each share issued by the Company has associated with it an irrevocable right of the shareholder to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that share, as contemplated in clause 26.3.
- 8.5 Each issued share of the Company, regardless of its class, has associated with it one general voting right, except to the extent provided otherwise by the Act, the JSE Listings Requirements, or this MOI.
- 8.6 The preferences, rights, limitations and other terms associated with any class of shares in issue may only be changed by an amendment to this MOI by special resolution of shareholders of such class of shares at a separate meeting of such shareholders, and in accordance with the JSE Listings Requirements.
- 8.7 In addition to the provisions of clause 8.6, if there are cumulative and/or non-cumulative preference shares, the following right must attach to such Shares:
- 8.7.1 No further Securities ranking in priority to, or *pari passu* with existing preference shares, of any class, shall be created without a special resolution being passed at a separate general meeting of such preference shareholders.
- 8.8 No shares may be authorised or varied, and no resolution may be proposed to shareholders, in respect of which the preferences, rights, limitations or any other terms of any class of shares may be varied in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and 37(7).

9. ISSUE OF SECURITIES

- 9.1 The Company may issue shares at any time but only within the classes and to the extent that those shares have been authorised by or in terms of this MOI.
- 9.2 The issue of shares for cash and options and convertible securities granted or issued for cash, and any repurchase of securities, must be in accordance with the JSE Listings Requirements.
- 9.3 All securities of the Company for which a listing is sought on the JSE and all securities of the same class as Securities of the Company which are listed on the JSE, notwithstanding the provisions of section 40(5) of the Act, but unless otherwise required by the Act, must only be issued after the Company has received adequate consideration for such securities as determined by the board.
- 9.4 The board may resolve to issue shares of the Company, and/or grant options to subscribe for Shares in the Company, at any time, subject to the following:
 - 9.4.1 only within the classes, and to the extent, that those shares have been authorised by or in terms of this MOI;
 - 9.4.2 only to the extent that such issue has been approved by the shareholders in general meeting, either by way of a general authority (which may be either conditional or unconditional) to issue shares in its discretion or a specific authority in respect of any particular issue of shares, provided that, if such approval is in the form of a general authority to the directors, it shall be valid only until the next annual general meeting of the shareholders and it may be varied or revoked by any general meeting of the shareholders prior to such annual general meeting;
 - 9.4.3 the transaction/s has/have been approved by the JSE and are in accordance with the JSE Listings Requirements; and
 - 9.4.4 such shares have first been offered to existing shareholders in proportion to their shareholding, on such terms and in accordance with such procedures as the board may determine, unless such shares are issued for the acquisition of assets by the Company.
- 9.5 Notwithstanding the provisions of clause 9.4, any issue of shares, securities convertible into shares, or rights exercisable for shares in a transaction, or a series of integrated transactions shall, in accordance with the provisions of section 41(3) of the Act, require approval of the shareholders by special resolution if the voting power of the class of shares which are issued or issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% (thirty percent) of the voting power of all the Shares of that class held by shareholders immediately before that transaction or series of integrated transactions.
- 9.6 Except to the extent that any such right is specifically included as one of the rights, references or other terms upon which any class of shares is issued or as may otherwise be provided in this MOI, no shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional shares issued by the Company.

12. TRANSFER OF SECURITIES

- 12.1 In respect of certificated securities:
 - 12.1.1 The instrument of transfer of any certificated securities shall be signed by both the transferor and the transferee, and the transferor shall be deemed to remain the holder of such certificated securities until the name of the transferee is entered in the securities register. The directors may, however, in their discretion, in such cases as they deem fit, dispense with requiring the signature of the transferee on the instrument of transfer.
 - 12.1.2 Subject to such restrictions as may be applicable, (whether by virtue of the preferences, rights, limitations or other terms associated with the securities in question), any shareholder or holder of other securities may transfer all or any of its certificated securities by instrument in writing in any usual or common form or any other form which the directors may approve.
 - 12.1.3 Every instrument of transfer shall be delivered to the principal place of business of the Company, accompanied by:

- 12.1.3.1 the certificate issued in respect of the certificated securities to be transferred; and/or
- 12.1.3.2 such other evidence as the Company may require to prove the title of the transferor, or his or her right to transfer the certificated securities.
- 12.1.4 All instruments of transfer, when registered, shall either be retained by the Company or disposed of in such manner as the directors shall from time to time decide. Any instrument of transfer which the directors may decline to register shall (unless the directors shall resolve otherwise) be returned on demand to the person who lodged it.
- 12.2 In respect of uncertificated securities:
 - 12.2.1 The transfer of uncertificated securities in the uncertificated securities register may be effected only:
 - 12.2.1.1 by a participant or Central Securities Depository;
 - 12.2.1.2 on receipt of an instruction to transfer sent and properly authenticated in terms of the rules of a Central Securities Depository or an order of a court; and in accordance with section 53 of the Act and the rules of the Central Securities Depository.
 - 12.2.2 transfer of ownership in any uncertificated securities must be effected by:
 - 12.2.2.1 debiting the account in the uncertificated securities register from which the transfer is effected; and
 - 12.2.2.2 crediting the account in the uncertificated securities register to which the transfer is effected, in accordance with the rules of the Central Securities Depository.
- 12.3 In terms of the JSE Listings Requirements, notwithstanding the foregoing, all authorities to sign the transfer deeds or other instruments of transfer granted by holders of securities for the purpose of transferring the securities which may be lodged, produced or exhibited with or to the Company at its registered office shall, as between the Company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect, and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Company's offices at which the authority was first lodged, produced or exhibited. Even after the giving and lodging of such notice, the Company shall be entitled to give effect to any instruments signed under the authority to sign and certified by any officer of the Company as being in order before the giving and lodging of such notice.
- 12.4 Securities transfer tax and other legal costs payable in respect of any transfer of securities pursuant to this MOI will be paid by the Company to the extent that the Company is liable therefor in law, but shall, to that extent, be recoverable from the person acquiring such securities.

13. NO LIEN

No securities shall be subject to any *lien* in favour of the Company and shall be freely transferable.

14. CAPITALISATION SHARES

- 14.1 The Board shall not, save to the extent specifically authorised by the shareholders by means of an ordinary resolution authorising the specific transaction contemplated, and unless such transaction/s has/have been approved by the JSE (and the JSE Listings Requirements have been complied with), have the power or the authority to:
 - 14.1.1 approve the issuing of any authorised shares as capitalisation shares on a *pro-rata* basis to the shareholder of one or more classes of shares; or
 - 14.1.2 issue shares of one class as capitalisation Shares in respect of the shares of another class; or
 - 14.1.3 resolve to permit the shareholders to elect to receive a cash payment *in lieu* of a capitalisation share, and the authority of the board to issue capitalisation shares in accordance with section 47(1) of the Act is accordingly limited and restricted by this MOI.

- 14.2 The board may not resolve to offer a cash payment *in lieu* of awarding a capitalisation share, as contemplated in clause 14.1.3, unless the board:
- 14.2.1 has considered the Solvency and Liquidity Test as required by section 46 of the Act, on the assumption that every such shareholder would elect to receive cash; and
 - 14.2.2 is satisfied that the Company would satisfy the Solvency and Liquidity Test immediately upon the completion of the distribution.
- 14.3 If, on any capitalisation issue, shareholders would, but for the provisions of this clause 14, become entitled to fractions of shares, the board shall, subject to any contrary provisions in the resolution authorising the capitalisation issue, be entitled to round off the number of capitalisation Shares to be received to the nearest whole number or to sell the shares resulting from the aggregation of those fractions, on such terms and conditions as it deems fit, for the benefit of the relevant shareholders, and any director shall be empowered to sign any instrument of transfer or other instrument necessary to give effect to that sale.

15. DEBT INSTRUMENTS

- 15.1 The Board may authorise the Company to issue secured or unsecured debt instruments, as set out in section 43(2) of the Act, provided that no special privileges associated with any such debt instruments as contemplated in section 43(3) of the Act shall be granted.
- 15.2 The authority of the Board to authorise the Company to issue secured or unsecured debt instruments with special privileges associated therewith, is accordingly limited and restricted by this MOI.

20. RECORD DATES

- 20.1 The board shall, in accordance with the JSE Listings Requirements and section 59 of the Act, determine and publish a record date for the purposes of determining which shareholders are entitled to:
- 20.1.1 receive a notice of a shareholders meeting;
 - 20.1.2 participate in and vote at a shareholders meeting;
 - 20.1.3 decide any matter by written consent or by electronic communication;
 - 20.1.4 receive a distribution; or
 - 20.1.5 be allotted or exercise any other rights.
- 20.2 The record date must be published to shareholders in a manner that satisfies the JSE Listings Requirements and any other prescribed requirements.

21. SHAREHOLDERS MEETINGS

- 21.1 The board is entitled to call a shareholders meeting at any time.
- 21.2 Notwithstanding the foregoing, the Company shall be obliged to call a shareholders meeting:
- 21.2.1 at any time that the board is required by the Act, the JSE Listings Requirements or this MOI, to refer a matter to shareholders for a decision;
 - 21.2.2 whenever required in terms of the Act to fill a vacancy on the board;
 - 21.2.3 whenever required in terms of clause 21.3;
- provided that any shareholders' meetings required in terms of the JSE Listings Requirements to be held in person, shall not be held by means of written resolution of shareholders as contemplated in section 60 of the Act.
- 21.3 The board shall convene a meeting of shareholders if one or more written and signed demands by shareholders calling for such a meeting, are delivered to the Company and:
- 21.3.1 each such demand describes the specific purpose for which the meeting is proposed; and

- 21.3.2 in aggregate, demands for substantially the same purpose are made and signed by the holders, as of the earliest time specified in any of those demands, of at least 10% (ten percent) of the voting rights entitled to be exercised in relation to the matter proposed to be considered at the meeting.
- 21.4 The Company shall convene an annual general meeting of its shareholders once in each calendar year, but no later than 15 (fifteen) months after the date of the previous annual general meeting.
- 21.5 Subject to the provisions of the JSE Listings Requirements, the annual general meeting of shareholders:
- 21.5.1 shall be capable of being held by electronic communication in accordance with the further provisions of this MOI; and
- 21.5.2 shall not be held by means of written resolution of shareholders as contemplated in section 60 of the Act.
- 21.6 The annual general meeting of shareholders shall provide, at a minimum, the following business to be transacted:
- 21.6.1 the presentation of the directors' report, audited financial statements for the immediately preceding financial year of the Company and an audit committee report;
- 21.6.2 the election of directors, to the extent required by the Act and by clause 28.8 of this MOI;
- 21.6.3 the appointment of an auditor and an audit committee for the following financial year;
- 21.6.4 the sanctioning or declaration of distributions; and
- 21.6.5 any matters raised by the shareholders, with or without advance notice to the Company.
- 21.7 The board shall determine the location for any shareholders meeting and the Company may hold any such meeting in the Republic of South Africa or any foreign country and accordingly, the authority of the board, as contemplated in section 61(9) of the Act, is not limited or restricted by this MOI.
- 21.8 The shareholders meetings shall be reasonably accessible within the Republic of South Africa for participation by means of electronic communication, irrespective of whether the shareholders meeting is held in the Republic of South Africa or elsewhere.

22. NOTICE OF SHAREHOLDERS MEETINGS

- 22.1 The Company must deliver notice of each shareholders meeting in the prescribed manner and form to all shareholders as of the record date for the meeting at least 15 (fifteen) business days before that shareholders meeting is to begin; provided that the notice periods do not apply if the Company adheres to the provisions of section 62(2A) of the Act.
- 22.2 The notice of a shareholders meeting shall be in writing and shall include the items set out in section 62(3) of the Act.
- 22.3 The notice of a shareholders meeting must be delivered in accordance with the provisions of clause 44 hereof. Any material defect in the form and manner of giving the notice shall be dealt with in accordance with the provisions of sections 62(4) and 62(5) of the Act. Any immaterial defect in the form and manner of giving notice or an accidental or inadvertent failure in the delivery of the notice to any particular shareholder shall not invalidate any action taken at the shareholders meeting.

26. SHAREHOLDER RESOLUTIONS

- 26.1 At any meeting of shareholders any person who is "Present at the Meeting", whether as a shareholder or as a proxy for a Shareholder, shall be entitled to exercise:
- 26.1.1 1 (one) vote on a show of hands, irrespective of the number of voting rights that such person would otherwise be entitled to exercise;
- 26.1.2 on a poll, the number of voting rights associated with the securities held by such shareholder;

- 26.1.3 the holders of securities other than ordinary shares shall not be entitled to exercise any vote at a meeting of shareholders save as provided for in clause 26.3, which voting rights shall be determined in accordance with the preferences, rights, limitations and other terms of the shares as set out in this MOI.
- 26.2 In order for:
- 26.2.1 an ordinary resolution to be approved, it must be supported by a majority of the voting rights exercised on the ordinary resolution, as contemplated in section 65(7) of the Act; or
- 26.2.2 a special resolution to be approved, it must be supported by 75% (seventy five per cent) of the voting rights exercised on the special resolution, as provided in section 65(9) of the Act,
- at a quorate meeting of shareholders which is quorate in relation to that resolution; provided that this clause shall not detract from the shareholders' ability to adopt resolutions by written vote as provided for in clause 27 other than shareholders meetings required to be conducted in person as required by the JSE Listings Requirements.
- 26.3 If any resolution is proposed as contemplated in clause 26.1.3, the holders of such shares ("Affected Shareholders") shall be entitled to vote at the meeting of shareholders as contemplated in clause 26.1, provided that:
- 26.3.1 the votes of the shares of that class held by the Affected shareholders ("Affected Shares") shall not carry any special rights or privileges and an Affected Shareholder shall be entitled to 1 (one) vote for every Affected Share held; and
- 26.3.2 the total voting rights of the Affected Shareholders in respect of the Affected Shares shall not be more than 24.99% (twenty four, point nine nine per cent) of the total votes (including the votes of the ordinary shareholders) exercisable at that meeting (with any cumulative fraction of a vote in respect of any Affected Shares held by an Affected Shareholder rounded down to the nearest whole number);
- 26.3.3 if any amendment relates to the preferences, rights, limitations and other terms associated with the Affected Shares, the amendment may only be implemented by special resolution of the Affected Shareholders at a separate meeting of such Affected Shareholders, and in accordance with the JSE Listings Requirements.
- 26.4 A polled vote must be held on any particular matter to be voted on at a shareholders meeting if a demand for such vote is made by:
- 26.4.1 at least 5 (five) persons having the right to vote on that matter, either as shareholders or as proxies representing shareholders; or
- 26.4.2 a shareholder who is, or shareholders who together are entitled, as shareholders or proxies representing shareholders, to exercise at least 10% (ten percent) of the voting rights entitled to be voted on that matter; or
- 26.4.3 the chairperson of the meeting.
- 26.5 At any shareholders meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of clause 26.4, and unless a poll is so demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or defeated, and an entry to that effect in the minute book of the Company, shall be *prima facie* evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
- 26.6 If a poll is duly demanded, it shall be taken in such manner as the chairperson directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In calculating the majority on the poll, regard shall be had to the number of voting rights associated with the securities held by each shareholder.
- 26.7 A poll demanded on the election of a chairperson (as contemplated in clause 26.4.3) or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairperson of the meeting directs. The demand for a poll shall not

prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.

- 26.8 In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place, or at which the poll is demanded, shall not be entitled to a second or casting vote.
- 26.9 The board of any company or the controlling body of any other entity or person that holds any securities of the Company may authorise any person to act as its representative at any meeting of shareholders, in which event the following provisions will apply:
- 26.9.1 the person so authorised may exercise the same powers of the authorising company, entity or person as it could have exercised if it were an individual holder of securities; and
- 26.9.2 the authorising company, entity or person shall lodge a resolution of the directors of such company or controlling body of such other entity or person confirming the granting of such authority, and certified under the hand of the chairperson or company secretary thereof, with the Company before the commencement of any shareholders meeting at which such person intends to exercise any rights of such shareholder, unless excused from doing so by the chairperson of such meeting.
- 26.10 If any shareholder abstains from voting in respect of any resolution, that shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised a vote in respect of that resolution.
- 26.11 The following matters require the approval or authority of a special resolution of the shareholders:
- 26.11.1 matters contemplated in terms of section 65(11) of the Act or any other relevant section of the Act requiring the same;
- 26.11.2 any matter envisaged in clause 8.2 of this MOI or any other provision of this MOI;
- 26.11.3 the change of name of the Company; and
- 26.11.4 any matter required by the JSE Listings Requirements.
- 26.12 Save as provided for in clause 26.11, all other matters requiring shareholder approval or authority shall be by means of an ordinary resolution of shareholders.

27. WRITTEN RESOLUTIONS BY SHAREHOLDERS

- 27.1 A resolution that could be voted on at a shareholders meeting may instead be adopted by written vote of the shareholders, as contemplated in section 60 of the Act, if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted shareholders meeting; provided always that the provisions of this clause shall not apply to any resolution required in terms of the JSE Listings Requirements not to be adopted by written vote of the shareholders.
- 27.2 Unless the contrary is stated in the resolution, any such resolution shall be deemed to have been adopted on the date on which the Company received the written vote of the shareholder or the proxy of the shareholder whose vote resulted in the resolution being supported by sufficient votes for its adoption.
- 27.3 Within 10 (ten) business days after adopting a resolution in accordance with the procedures provided in this clause 27, the Company shall deliver a statement describing the results of the vote, consent process, or election to every shareholder who was entitled to vote on or consent to the resolution.

29. AUTHORITY OF THE BOARD OF DIRECTORS

- 29.1 The business and affairs of the Company shall be managed by or under the direction of the board, which shall have the authority to exercise all of the powers and perform all of the functions of the Company, except to the extent that the Act or this MOI provides otherwise.
- 29.2 The board may delegate to any one or more persons all such powers and delegate to any one or more persons the doing of all such acts (including the right to sub-delegate).

- 29.3 Any commitment to, or implementation, amendment, termination or cancellation by the Company of any of the following resolutions, transactions, agreements or other matters, save where the amendment is ordered by court in terms of section 16(1)(a) and 16(4) of the Act, shall be deemed, for all purposes of this MOI, to be a “Reserved Matter” and subject to the restrictions in clause 29.4:
- 29.3.1 in terms of section 65(11) of the Act or any other section of the Act;
 - 29.3.2 increase or decrease the number of authorised shares of any class;
 - 29.3.3 to create any class of shares;
 - 29.3.4 consolidate and reduce the number of the Company’s issued and authorised shares of any class;
 - 29.3.5 subdivide its Shares of any class by increasing the number of its issued and authorised shares of that class without an increase of its capital;
 - 29.3.6 reclassify any classified shares that have been authorised but not issued;
 - 29.3.7 classify any unclassified shares that have been authorised but not issued;
 - 29.3.8 determine the preferences, rights, limitations or other terms of any shares;
 - 29.3.9 any matter envisaged in clause 8.2 of this MOI or any other provision of this MOI;
 - 29.3.10 the change of name of the Company; or
 - 29.3.11 any matter required by the JSE Listings Requirements,
- none of the provisions of this clause 29.3 shall be limited by reference to any of the others.
- 29.4 The board shall not have the power or authority to affect a Reserved Matter unless that Reserved Matter has been approved by a special resolution of shareholders, which has been adopted in accordance with the provisions of this MOI, and the powers of the directors shall be limited accordingly in terms of section 66 of the Act.
- 29.5 The directors may exercise all powers of the Company to borrow money and to mortgage or encumber its undertaking and property or any part thereof and to issue securities whether outright or as security for any debt, liability or obligation of the Company or any third party. For purposes of this clause 29.5, the borrowing powers of the Company shall be unlimited except that in the case of any subsidiary company of the Company, the moneys so borrowed or secured shall not exceed the amount authorised by the Company.

39. FINANCIAL ASSISTANCE

- 39.1 Financial assistance for the subscription for or purchase of securities:
- 39.1.1 The board may, as contemplated in section 44 of the Act and subject to the requirements of that section, authorise the Company to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise, to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any such securities.
 - 39.1.2 The authority of the board in this regard is accordingly not limited or restricted by this MOI.
- 39.2 Financial assistance to directors, Prescribed Officers and Related and Inter-related Companies:
- 39.2.1 The board may, as contemplated in section 45 of Act and subject to the requirements of that section, authorise the Company to provide direct or indirect financial assistance to a director or prescribed officer of the Company, or of a related or inter-related company or corporation, or to a related or inter-related company or corporation or to a member of a related or inter-related company or corporation, or to a person related to any such company, corporation, director, prescribed officer or member.
 - 39.2.2 The authority of the board in this regard is accordingly, not limited or restricted by this MOI.

40. DISTRIBUTIONS

- 40.1 Subject to the provisions of the Act (and in particular section 46) and the JSE Listings Requirements, the Company may make a proposed distribution if such distribution:
 - 40.1.1 is pursuant to an existing legal obligation of the Company, or a court order; or
 - 40.1.2 is authorised by resolution of the Board, and in compliance with the JSE Listings Requirements;
 - 40.1.3 it reasonably appears that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition; and
 - 40.1.4 the board, by resolution, has acknowledged that it has applied the Solvency and Liquidity Test and reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition.
- 40.2 Distributions may be declared either free of or subject to the deduction of income tax and any other tax or duty in respect of which the Company may be chargeable.
- 40.3 The directors may from time to time declare and pay to the shareholders such interim distributions as the directors consider appropriate.
- 40.4 No larger distribution shall be declared by the Company in general meeting than is recommended by the directors, but the Company in general meeting may declare a smaller distribution.
- 40.5 All unclaimed distributions shall be held by the Company in trust; provided that distributions unclaimed cannot be invested or otherwise made use of by the directors for the benefit of the Company for a period of 3 (three) years from the date on which they were declared, where after such unclaimed distributions in the form of dividends may be declared forfeited by the directors for the benefit of the Company. The directors may at any time annul such forfeiture upon such conditions (if any) as they think fit.
- 40.6 Any Distribution, interest or other sum payable in cash to the holder of a share may be paid by cheque or warrant sent by post and addressed to:
 - 40.6.1 the holder at his registered address; or
 - 40.6.2 in the case of joint holders, the holder whose name appears first in the securities register in respect of the share, at his registered address; or
 - 40.6.3 such person and at such address as the holder or joint holders may in writing direct.
- 40.7 Every such cheque or warrant shall:
 - 40.7.1 be made payable to the order of the person to whom it is addressed; and
 - 40.7.2 be sent at the risk of the holder or joint holders.
- 40.8 The Company shall not be responsible for the loss in transmission of any cheque or warrant or of any document (whether similar to a cheque or warrant or not) sent by post as aforesaid.
- 40.9 A holder or any one of two or more joint holders, or his or their agent duly appointed in writing, may provide valid receipts for any distributions or other moneys paid in respect of a share held by such holder or joint holders.
- 40.10 When such cheque or warrant is paid, it shall discharge the Company of any further liability in respect of the amount concerned.
- 40.11 A distribution may also be paid in any other way determined by the directors, and if the directives of the directors in that regard are complied with, the Company shall not be liable for any loss or damage which a shareholder may suffer as a result thereof.
- 40.12 Without detracting from the ability of the Company to issue capitalisation shares, any distribution may be paid wholly or in part:
 - 40.12.1 by the distribution of specific assets; or
 - 40.12.2 by the issue of shares, debentures or securities of the Company or of any other company; or
 - 40.12.3 in cash; or

- 40.12.4 in any other way which the directors or the Company in general meeting may at the time of declaring the distribution determine.
- 40.13 Where any difficulty arises in regard to such distribution, the directors may settle that difficulty as they think expedient, and in particular may fix the value which shall be placed on such specific assets on distribution.
- 40.14 The directors may:
 - 40.14.1 determine that cash payments shall be made to any shareholder on the basis of the value so fixed in order to secure equality of distribution; and
 - 40.14.2 vest any such assets in trustees upon such trusts for the benefit of the persons entitled to the distribution as the directors deem expedient.
- 40.15 Any distribution must be made payable to shareholders registered as at a date subsequent to the date of declaration thereof or the date of confirmation thereof, whichever is the later date.

41. ACQUISITION BY THE COMPANY OF ITS OWN SHARES

- 41.1 Subject to the JSE Listings Requirements, the provisions of section 48 and section 46 of the Act and the further provisions of this clause 41:
 - 41.1.1 the board may determine that the Company acquire a number of its own shares; and
 - 41.1.2 the board of any subsidiary of the Company may determine that such subsidiary acquire Shares of the Company, but:
 - 41.1.2.1 not more than 10% (ten percent), in aggregate, of the number of issued shares of any class may be held by, or for the benefit of, all of the subsidiaries of the Company, taken together; and
 - 41.1.2.2 no voting rights attached to those shares may be exercised while the shares are held by that subsidiary and it remains a subsidiary of the Company.
- 41.2 Any decision by the Company to acquire its own shares must satisfy the JSE Listings Requirements and the requirements of section 46. Accordingly, the Company may not acquire its own shares unless:
 - 41.2.1 for as long as it is required in terms of the JSE Listings Requirements, the acquisition has been approved by a special resolution of the shareholders, whether in respect of a particular repurchase or generally approved by shareholders and unless such acquisition otherwise complies with sections 5.67 to 5.69 of the JSE Listings Requirements (or such other sections as may be applicable from time to time);
 - 41.2.2 the acquisition:
 - 41.2.2.1 is pursuant to an existing legal obligation of the Company, or a court order; or
 - 41.2.2.2 the board, by resolution, has authorised the acquisition;
 - 41.2.2.3 it reasonably appears that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition; and
 - 41.2.2.4 the Board, by resolution, has acknowledged that it has applied the Solvency and Liquidity Test and reasonably concluded that the Company will satisfy the Solvency and Liquidity Test immediately after completing the proposed acquisition.
- 41.3 A decision of the board referred to in clause 41.1.1:
 - 41.3.1 must be approved by a special resolution of the shareholders if any shares are to be acquired by the Company from a director or prescribed officer of the Company, or a person related to a director or prescribed officer of the Company; and
 - 41.3.2 is subject to the requirements of Sections 114 and 115 of the Act if considered alone, or together with other transactions in an integrated series of transactions, it involves the acquisition by the Company of more than 5% (five percent) of the issued shares of any particular class of the Company's shares.

- 41.4 Notwithstanding any other provision of this MOI, the Company may not acquire its own shares, and no subsidiary of the Company may acquire shares of the Company if, as a result of that acquisition, there would no longer be any shares of the Company in issue other than:
- 41.4.1 shares held by one or more subsidiaries of the Company; or
 - 41.4.2 convertible or redeemable shares.

42. PAYMENT OF COMMISSION

- 42.1 The Company may pay a commission at a rate not exceeding 10% (ten percent) of the issue price of a share to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares of the Company or for procuring or agreeing to procure, whether absolutely or conditionally, subscriptions for any shares of the Company.
- 42.2 The commission may be paid out of capital or profits, whether current or accumulated, or partly out of the one and partly out of the other.
- 42.3 Such commission may be paid in cash or, if authorised by the Company in general meeting, by the allotment of fully paid up shares.
- 42.4 The Company may, on any issue of shares, pay such brokerage as may be lawful.

44. NOTICES

- 44.1 All notices shall be given by the Company to each shareholder, and simultaneously given to the Issuer Regulations of the JSE, in the manner prescribed by the JSE Listings Requirements and the regulations, particularly Table CR3 to the regulations. All notices shall be released through SENS.
- 44.2 Any notice that is required to be given to directors may be given in the manner prescribed in the regulations, particularly Table CR3 to the regulations.
- 44.3 All notices shall be deemed to have been delivered as provided for in the regulations as a result of the relevant method of delivery.
- 44.4 Each shareholder and director shall:
- 44.4.1 notify the Company in writing of an postal address, which address shall be his registered address for the purposes of receiving written notices from the Company by post and, if he has not named such an address, he shall not be entitled to receive any notices from the Company until such time as he provides a postal address; and
 - 44.4.2 unless otherwise agreed with the Company, notify in writing to the Company an email address and facsimile number, which address shall be his address for the purposes of receiving notices by way of email or facsimile, respectively.
- 44.5 Any shareholder whose address in the securities register is an address not within the Republic of South Africa, shall be entitled to have notices served upon him at such address.
- 44.6 Every person who by operation of law, transfer or other means whatsoever becomes entitled to any share, shall be bound by every notice in respect of that share which, previously to his name and address being entered in the securities register, was given to the person from whom he derives his title to such share.
- 44.7 Any notice or document delivered or sent by post to or left at the registered address of any shareholder in pursuance of this MOI shall, notwithstanding that such shareholder was then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any shares, whether held solely or jointly with other persons by such shareholder, until some other person is registered in his stead as the sole or joint holder thereof, and such service shall for all purposes of this MOI be deemed a sufficient service of such notice or document on his heirs, executors or administrators, and all persons (if any) jointly interested with him in any such shares.

SCHEDULE 1

SHARE CAPITAL

The numbers and classes of shares which the Company is authorised to issue are set out below:

1. 750 000 000 ordinary no par value Shares, of the same class, each of which ranks *pari passu* with all other shares of the same class in respect of all rights, and entitles the holder thereof to:
 - 1.1. vote on any matter to be decided by the shareholders of the Company (other than matters which are in terms of this MOI or the Act, to be decided solely by the holders of any other class/es of shares);
 - 1.2. a shareholder shall have one vote for each share of the class of which he is a holder;
 - 1.3. participate proportionally in any distribution to the class of shares made by the Company; and
 - 1.4. receive proportionally the net assets of the Company upon its dissolution.



JASCO ELECTRONIC HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003293/06)

Share code: JSC ISIN: ZAE000003794

("Jasco" or "the Company")

NOTICE OF SHAREHOLDERS' MEETING

The "Definitions and Interpretation" commencing on page 5 of the Circular to which this notice of general meeting of shareholders is attached and forms part apply *mutatis mutandis* to this notice of general meeting of shareholders.

Notice is hereby given that a general meeting of shareholders of Jasco will be held at the registered office namely, corner Alexandra Avenue and 2nd Road, Midrand, on Monday, 22 October 2012 at 10:00 for the purpose of considering and, if deemed fit, passing with or without modification, the following special and ordinary resolutions set out below, which meeting is to be participated in and voted at by shareholders as at the record date of Friday, 12 October 2012. Accordingly, the last day to trade in order to be eligible to vote at the general meeting is Friday, 5 October 2012.

Until the Companies Act, 2008 (Act No. 71 of 2008) ("the Act" or "the Companies Act"), came into effect on 1 May 2011, the memorandum of incorporation of the Company comprised its memorandum of association and its articles of association. From the said date and in terms of the Act, the memorandum of association and articles of association has become known as the Company's memorandum of incorporation. Accordingly, for consistency of reference in this notice of general meeting reference to the term "memorandum of incorporation" used in Special Resolutions numbers 1 and 2 refer to the Company's existing memorandum of incorporation (which previously comprised the Company's memorandum of association and articles of association, as aforesaid).

This notice of general meeting contains important information relating to the adoption of a new Memorandum of Incorporation ("MOI").

If you are in any doubt as to what action to take in regard to this notice, please consult your Central Securities Depository Participant ("CSDP"), broker, banker, accountant, attorney or other professional adviser immediately and refer to the instructions set out at the conclusion of this notice.

ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE PROPERTY DISPOSAL TRANSACTION

"RESOLVED THAT, the Property Disposal, details of which are fully disclosed in the Circular to which this notice forms part, be and is hereby approved."

In terms of the MOI, as read with the Act, for ordinary resolution number 1 to be adopted, it must be supported by at least 50% of the voting rights exercised on the resolution.

ORDINARY RESOLUTION NUMBER 2 – AUTHORISATION TO IMPLEMENT THE SPECIAL AND ORDINARY RESOLUTIONS

"RESOLVED THAT, any director of the Company be and is hereby authorised to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of special resolutions numbers 1, 2 and 3 and ordinary resolution number 1."

In terms of the MOI of the Company, as read with the Act, for ordinary resolution number 2 to be adopted, it must be supported by at least 50% of the voting rights exercised on the resolution.

SPECIAL RESOLUTION NUMBER 1 – SPECIFIC AUTHORITY TO CONVERT THE SHARE CAPITAL OF THE COMPANY

“**RESOLVED THAT** the authorised and issued share capital of the Company, comprising 150 000 000 ordinary shares of R0.01 each and 146 399 336 ordinary shares of R0.01 each, respectively, be and is hereby converted into 150 000 000 ordinary shares of no par value and 146 399 336 ordinary shares of no par value, respectively. The MOI of the Company shall be and is hereby amended accordingly.”

The reason for and effect of special resolution number 1 is to convert the ordinary shares of par value to ordinary shares of no par value, in order to facilitate the creation of new ordinary shares in the capital of the Company, in terms of the Act, as amended.

In terms of the MOI of the Company, as read with the Act, for special resolution number 1 to be adopted, it must be supported by at least 75% of the voting rights exercised on the resolution.

SPECIAL RESOLUTION NUMBER 2 – SPECIFIC AUTHORITY TO INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY

“**RESOLVED THAT**, subject to the passing and registration of special resolution number 1, the authorised share capital of the Company, comprising of 150 000 000 ordinary shares of no par value be and is hereby increased to 750 000 000 ordinary shares of no par value, by the creation of 600 000 000 new ordinary shares of no par value. The MOI of the Company shall be and is hereby amended accordingly.”

The reason for and effect of special resolution number 2 is to create additional ordinary shares of no par value in the capital of the Company to facilitate any specific issues of shares that the Company may contemplate in the future.

In terms of the MOI of the Company, as read with the Act, for special resolution number 2 to be adopted, it must be supported by at least 75% of the voting rights exercised on the resolution.

SPECIAL RESOLUTION NUMBER 3 – SPECIFIC AUTHORITY TO ADOPT A NEW MEMORANDUM OF INCORPORATION

“**RESOLVED** as a special resolution that a new Memorandum of Incorporation, as detailed in the salient features thereof attached to the Circular as Annexure 8, of which this notice of general meeting forms part, the complete MOI having been available for inspection at the Company’s registered office from the date of notice of this general meeting until the date of the general meeting, which MOI will supersede the current memorandum of association and articles of association of the Company, the complete MOI having been initialled by the chairman of this meeting for identification purposes and tabled at this meeting, be and is hereby ratified and approved.”

In terms of the MOI of the Company, as read with the Act, for special resolution number 3 to be adopted, it must be supported by at least 75% of the voting rights exercised on the resolution.

VOTING

On a show of hands, every Jasco shareholder who is present in person, by proxy or represented at the general meeting shall have one vote (irrespective of the number of ordinary shares held), and on a poll, every Jasco shareholder present in person, by proxy or represented at the general meeting, shall have one vote for every ordinary share held.

RECORD DATE

The record date in terms of section 59 of the Act for shareholders to be recorded in the Jasco shareholders’ register in order to have been sent the Circular, to which this notice is attached, was Friday, 7 September 2012.

The record date in terms of section 59 of the Act for shareholders to be recorded in the Jasco shareholders’ register in order to be able to attend, participate and vote at the general meeting is Friday, 12 October 2012.

IDENTIFICATION

Section 63(1) of the Act requires that, before any person may attend or participate in a shareholders’ meeting, that person must present reasonably satisfactory identification and the person presiding at such meeting

must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy to a shareholder, has been reasonably verified.

ELECTRONIC PARTICIPATION BY SHAREHOLDERS

Shareholders are advised that no facilities for electronic participation in the shareholders' meeting will be made available.

PROXIES

A shareholder entitled to attend, participate in and vote at the general meeting is entitled to appoint one or more proxies to attend, participate in and vote at the general meeting in his or her stead. A proxy need not be a shareholder of the Company. For the convenience of holders of certificated shares and holders of dematerialised shares with own-name registration, a form of proxy (*blue*) is attached to the Circular to which this notice of general meeting is attached. Duly completed forms of proxy must be lodged with and received by the transfer secretaries (at either the transfer secretaries' physical or postal address set out below) at any time before the commencement of the general meeting (or any adjournment of the general meeting) or handed to the chairman of the general meeting before the appointed proxy exercises any of the relevant shareholder's rights at the general meeting (or any adjournment of the general meeting), provided that should the transfer secretaries receive a shareholder's form of proxy less than 48 hours before the general meeting, such shareholder will also be required to furnish a copy of such form of proxy to the chairman of the general meeting before the appointed proxy exercises any of such shareholder's rights at the general meeting (or any adjournment of the general meeting).

Holders of dematerialised shares without own-name registration who wish to attend the general meeting in person should request their CSDP or broker to provide them with the necessary letter of representation in terms of their custody agreement with their CSDP or broker. Holders of dematerialised shares without own-name registration who do not wish to attend the general meeting but who wish to be represented at the general meeting should advise their CSDP or broker of their voting instructions and should not complete the form of proxy (*blue*) attached to the Circular to which this notice of general meeting is attached. Holders of dematerialised shares without own-name registration should contact their CSDP or broker with regard to the cut-off time for their voting instructions.

By order of the board

JASCO ELECTRONICS HOLDINGS LIMITED

Ms S Lutchan

Company secretary

17 September 2012

Registered office

Corner Alexandra Avenue and 2nd Road

Midrand

1685

(PO Box 860, Wendywood, 2144)

Transfer secretaries

Link Market Services South Africa (Proprietary) Limited

13th Floor, Rennie House

19 Ameshoff Street

Braamfontein

Johannesburg

2001

(PO Box 4844, Johannesburg, 2000)



JASCO ELECTRONIC HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/003293/06)

Share code: JSC ISIN: ZAE000003794

("Jasco" or "the Company")

FORM OF PROXY – SHAREHOLDERS’ MEETING (Blue)

Unless otherwise stated or the context otherwise indicates, words and expressions used in this form of proxy shall bear the meanings ascribed to them in the Circular to which this form of proxy is attached.

For use at the general meeting to be held at **10:00 on Monday, 22 October 2012** at corner Alexandra Avenue and 2nd Road, Midrand, 1685.

To be completed by holders of certificated shares and holders of dematerialised shares with own-name registration only

If you are a holder of dematerialised shares without own-name registration you must not complete this form of proxy but must instruct your CSDP or broker as to how you wish to vote. This must be done in terms of the Custody Agreement between you and your CSDP or broker.

I/We (Full name, in BLOCK letters)

of (address)

Telephone (work) ()

Telephone (home) ()

Cellphone number:

being the holder/s of certificated shares or dematerialised shares with own-name registration do hereby appoint (see notes 1 and 2):

1. _____ or failing him/her/it,
2. _____ or failing him/her/it,

3. the chairperson of the general meeting,
as my/our proxy to attend, speak and vote at the general meeting (or any adjournment thereof).

I/We desire to vote as follows (see note 3):

	Number of votes (one vote per ordinary share)		
	For	Against	Abstain
Ordinary resolution Number 1			
Approval of the Property Disposal transaction			
Ordinary resolution number 2			
Authorisation to implement the special and ordinary resolutions			
Special resolution number 1			
Specific authority to convert the share capital of the Company			
Special resolution number 2			
Specific authority to increase the authorised share capital of the Company			
Special resolution number 3			
Specific authority to adopt a new Memorandum of Incorporation			

(Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.)
If you return this form duly signed without any specific voting directions indicated in the appropriate spaces above, you will be deemed to authorise and direct the chairman of the general meeting, if your proxy is the chairman, to vote in favour of all the resolutions proposed at the general meeting. If the chairman is not your proxy, then the proxy will be entitled to vote or abstain from voting at the general meeting as he/she thinks fit.

My/our proxy may not delegate his/her authority to act on my/our behalf to any other person.

Signed at _____ on _____ 2012

Signature _____

Capacity of signatory (where applicable) _____

Note: Authority of signatory to be attached – see notes 8 and 9.

Assisted by me (where applicable) _____

Full name _____

Capacity _____

Signature _____

Please read the below summary of the rights contained in section 58 of the Companies Act and the below notes to this form of proxy.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE ACT

In terms of section 58 of the Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
- a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy (see note 15);
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder (see note 5);
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise (see note 3); and
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Act or such company's Memorandum of Incorporation to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

NOTES TO THE FORM OF PROXY

1. Each Jasco shareholder is entitled to appoint one (or more) proxies (none of whom need be Jasco shareholders) to participate, speak and vote in place of that Jasco shareholder at the general meeting.
2. A Jasco shareholder may insert the name of a proxy or the names of two alternative proxies of the Jasco shareholder's choice in the space/s provided, with or without deleting "the Chairman of the general meeting", but the Jasco shareholder must initial any such deletion. The person whose name stands first on this form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A Jasco shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Jasco shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise and direct the chairman of the general meeting, if the chairman is the authorised proxy, to vote in favour of all the resolutions proposed at the general meeting, or, if the chairman is not so authorised, the proxy will be entitled to vote or abstain from voting at the general meeting as he/she deems fit, in respect of all the Jasco shareholder's votes exercisable at the general meeting. A Jasco shareholder is not obliged to use all the votes exercisable by him, but the total of the votes cast and abstentions recorded may not exceed the total number of the votes exercisable by the relevant Jasco shareholder.

4. Completed forms of proxy and the authority (if any) under which they are signed must be lodged with or posted to and received by the transfer secretaries 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) at any time before the commencement of the general meeting (or any adjournment of the general meeting) or handed to the chairman of the general meeting before the appointed proxy exercises any of the relevant Jasco shareholder's rights at the general meeting (or any adjournment of the general meeting), provided that should the transfer secretaries receive a Jasco shareholder's form of proxy less than 48 hours before the general meeting, such Jasco shareholder will also be required to furnish a copy of such form of proxy to the chairman of the general meeting before the appointed proxy exercises any of such Jasco shareholder's rights at the general meeting (or any adjournment of the general meeting).
5. The completion and lodging or posting of this form of proxy will not preclude the relevant Jasco shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Jasco shareholder wish to do so.
6. The chairman of the general meeting may accept or reject any form of proxy, not completed and/or received, in accordance with these notes or with the Company's Memorandum of Incorporation.
7. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by the Company or the transfer secretaries.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by the Company or either the transfer secretaries or waived by the chairman of the general meeting.
10. Where ordinary shares are held jointly, all joint holders are required to sign this form of proxy.
11. A minor Jasco shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company or the transfer secretaries.
12. If you are a holder of dematerialised shares without own-name registration you must not complete this form of proxy but must instruct your CSDP or broker as to how you wish to vote. This must be done in terms of the Custody Agreement between you and your CSDP or broker.
13. This form of proxy shall be valid at any resumption of an adjourned general meeting to which it relates, although this form of proxy shall not be used at the resumption of an adjourned general meeting if it could not have been used at the general meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy shall, in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the general meeting in question, subject to any specific direction contained in this form of proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company or the transfer secretaries before the commencement of the general meeting or adjourned general meeting at which the proxy is used.
15. Any proxy appointed pursuant to this form of proxy may not delegate his/her authority to act on behalf of the relevant Jasco shareholder.
16. In terms of section 58 of the Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the general meeting or any adjournment of the general meeting.
17. If the general meeting is adjourned or postponed, valid forms of proxy submitted for the initial general meeting will remain valid in respect of any adjournment or postponement of the general meeting.

